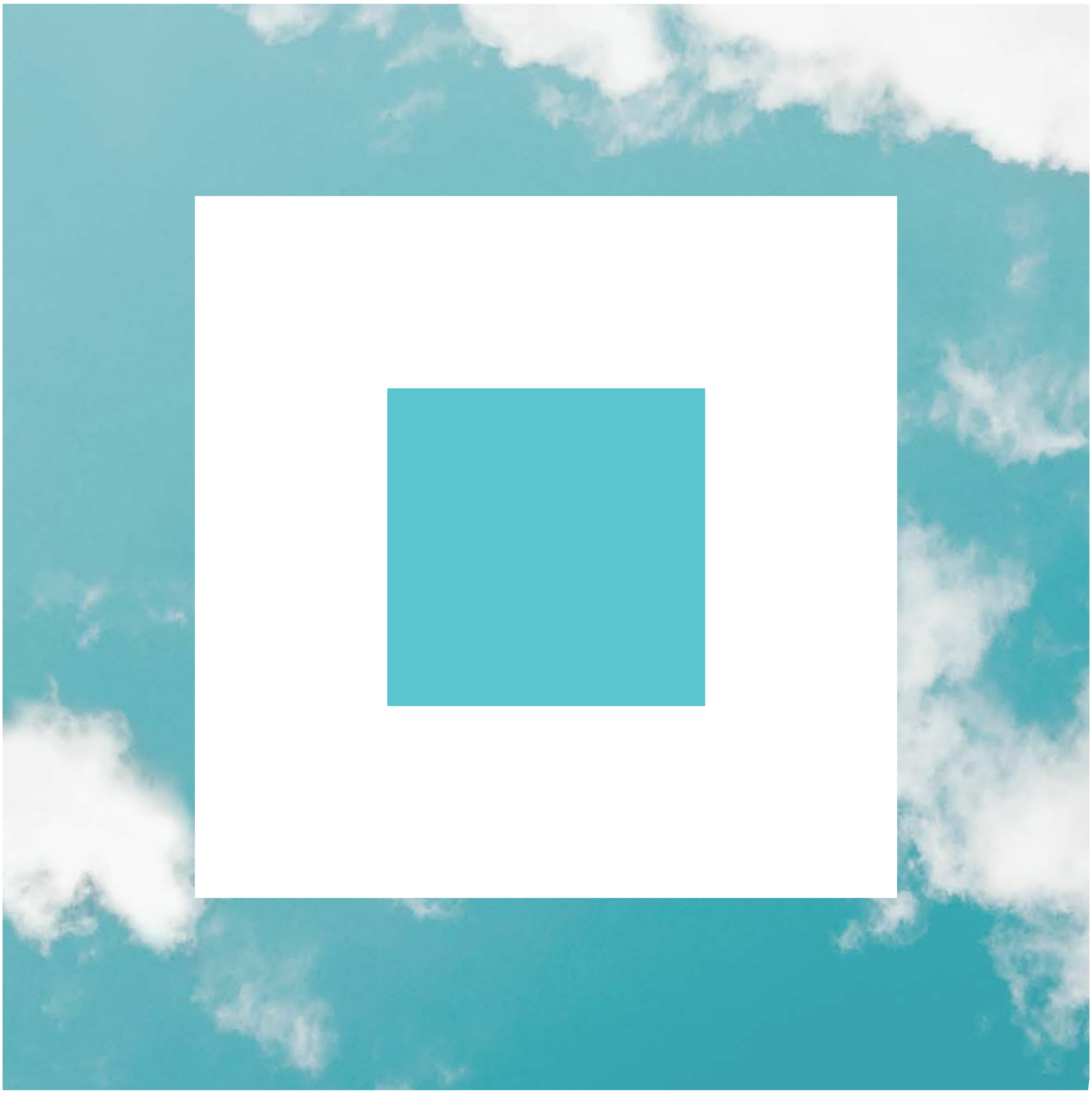
Integrated Report | 2022

TOGETHER



BUILDING A LEGACY TOGETHER

As we enter a decisive time for People and the Planet, we are reminded that our future will be determined by what we do now. The future is in our hands and fundamental changes are needed to catalyse transformation at the speed and scale the world needs it.

It became crucial to go further and faster, for all the companies in the group to look in the same direction, speak with one voice and join a unifying strategy. In 2021, we sped up our sustainability journey to connect the dots across all that we do – our context, our businesses, our resources, our impact, our strengths and weaknesses, and our objectives – so we can make a difference in our own manner, and live up to our vision of "creating a brighter future for all".

Sustainability is an ongoing journey that requires constant vigilance, continuous learning and unlearning, and the agility and boldness to adjust course when needed.

We invite you to explore the pages of this report to learn about how our sustainability approach is driven from a place of purpose and how IBL's people are growing into more active citizens, resolved to protect the legacy we wish to leave behind for future generations.

CONTENTS

INTRODUCTION

ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

This Integrated Report was produced to offer our stakeholders an accurate, balanced and transparent account of IBL Ltd and its subsidiaries' (collectively referred to as "IBL" or "the group") performance for the financial year ended 30 June 2022 (FY2022).

This report covers material information about the opportunities and risks arising from our:

Business Model	Operating Environment	Strategy	Stakeholder Engagement	Risk Management	Operational Performance	Governance
Page 62	Page 58	Page 54	Page 96	Page 102	Page 128	Page 172

REPORTING PRINCIPLES

The contents of this report has been prepared in accordance with the following frameworks:

The International Integrated Reporting Council (IIRC)'s Integrated Reporting Framework
The International Financial Reporting Standards (IFRS)
The Mauritius Companies Act 2001
The Financial Reporting Act 2004

COMBINED ASSURANCE

The reporting process is monitored and evaluated using a combined assurance model, under the direction of external and internal audit. IBL's independent external auditor, Ernst & Young, has provided assurance on IBL's audited annual financial statements. The independent external auditor's report is presented on pages 208 to 213. The group's management and directors have assessed and reviewed IBL's non-financial performance, strategy and risks presented in this report and are confident that it provides a fair and balanced view of IBL's material issues.

FORWARD-LOOKING STATEMENTS

This report contains certain statements and projections relating to IBL's operating context, strategy, operational results, and future demand for our products and services. While these forecasts and judgments are based on information available at the time of preparing this report and the opinions of the group's leadership, unexpected risks, uncertainties and other factors could cause actual results to differ from those described in our statements. Readers are therefore advised to use caution when interpreting these forward-looking statements.

GOING PAPERLESS

By choosing to receive a digital version of our Integrated Report rather than a printed copy, you are helping IBL reduce its carbon footprint and take a step towards its sustainability pledge.

To receive an electronic version of this report, please write to IBLcosec@iblgroup.com

Visit our microsite for an interactive version of our Integrated Report and our website www.iblgroup.com to view previous years' reports.

FEEDBACK

We recognise that reporting practices and stakeholder information requirements continue to evolve. We are committed to improving the quality of our report and welcome any feedback to this end.

Comments and questions can be sent to IBLCommunication@iblgroup.com

NAVIGATION ICONS

Capitals
Human capital
Social and relationship capital
Natural capital
Financial capital
Intellectual capital
Manufactured capital

Stakeholders
IBL team members
Clients and customers
Communities, NGOs, vulnerable populations and families
Investors and shareholders
Government and regulatory and institutional bodies
Suppliers

Other Icons
Cross-referencing
Reading time
Website
Audio hightlights on the website

Growth Enablers
Human Capital strategy
Technology and Transformation
Sustainability strategy

Strategic Pillars
Strengthening IBL's Mauritian core
Regional expansion into the Indian Ocean & East Africa
International expansion anchored in world-class professional expertise

How IBL Supports the SDGS

SUSTAINABLE DEVELOPMENT GOALS

IBL's vision is to shape a brighter world. We believe that we can make this vision a reality by helping to achieve the Sustainable Development Goals identified by the United Nations. IBL has been a Participant in the UN Global Compact since 2017 and is a founder member of the Global Compact Local Network (Mauritius).

Main Risks					
1	Volatility of commodities price	6	Sustainability of tuna stocks	11	Country attractiveness
2	Forex fluctuations	7	Cybersecurity threats	12	Tourism performance
3	Geopolitical conflicts	8	Global stagflation threat	13	National government policies
4	Market conditions	9	Sustainability of National Debt	14	Air connectivity
5	Supply chain	10	Climate Change	15	Debt crises

WHO WE ARE

AT A GLANCE

BUILDING A LEGACY TOGETHER

There are moments when convictions are challenged and new perspectives come to light. This past year was one of those moments for IBL. We deepened our reflection on the legacy we wish to leave behind for future generations, and how much further we are willing to go to set a new direction.

We are taking bold yet steady steps forward on the path to a nature-positive, more equitable world. This path is not solitary or linear, nor is it set in stone. It calls for experimenting, innovating, and sometimes failing, but always moving towards an overarching common purpose. What we do today will define us, our era, and our legacy. So let us defend it and *Together, Build a Legacy* we can be proud of.

A LEADING DIVERSIFIED GROUP

VISION

Creating a brighter future for all

MISSION

As a responsible corporate citizen, we enhance the talents of our people and inspire them to better serve our stakeholders in a trusting, transparent and efficient way.

VALUES

People First, Passion, Integrity, Excellence, Responsibility, Creativity

COMPANIES

311

8 Companies listed on the Mauritian Stock Exchange (of which IBL Ltd)

1 Foundation dedicated to eradicating extreme poverty in Mauritius

2 companies listed on the SEMSI

CLUSTERS

- AGRO & ENERGY
- BUILDING & ENGINEERING
- COMMERCIAL & DISTRIBUTION
- FINANCIAL SERVICES
- HOSPITALITY & SERVICES
- LIFE & TECHNOLOGY
- LOGISTICS
- SEAFOOD
- PROPERTY

TEAM MEMBERS

24,815

Men	68%
Woman	32%

FY2021: 24,404 (68% men, 32% women)

FINANCIAL PERFORMANCE

GROUP REVENUE (RS)

44.98bn

GROUP PROFIT BEFORE TAX (RS)

2.68bn

GROUP PROFIT AFTER TAX (RS)

1.96bn

MARKET CAPITALISATION (RS)

35.37bn

STRATEGIC HIGHLIGHTS

A MAURITIAN HEART

81%	Group revenue generated in Mauritius
252	Companies in Mauritius
4,612m	Taxes, Duties & Levies (Rs)

A REGIONAL PRESENCE

1	Regional Office in Nairobi
40	Companies in the region
95m	invested in Naivas (USD)

INTERNATIONAL EXPANSION ANCHORED IN WORLD-CLASS PROFESSIONAL EXPERTISE

19	Number of companies operating/ investing internationally
5	Number of new management contracts/ hotels opened by The Lux Collective

AT A GLANCE

STRATEGIC GROWTH ENABLERS

LEGACY-BUILDING BY FOSTERING FUTURE LEADERS AND OUR HUMAN CAPITAL

Total training expenditure (IBL Ops)

22.9m

Leaders trained in 38 sessions over 176 hours

928

IBL Performance Academy

CREATION OF THE
IBL PERFORMANCE ACADEMY
IN AUGUST 2022

Human Capital
on page 84

IMPROVING OUR FUTURE-READINESS THROUGH TECHNOLOGY & TRANSFORMATION

Strategic projects completed

3

Strategic projects in progress

9

Investment (Rs) in progress across the group

150m

Technology & Transformation
on page 90

ADOPTING AN INTEGRATED AND EMBEDDED APPROACH TO SUSTAINABILITY

Topics	Initiative	KPI	Unit
Capacity Building	La Fresque du Climat	**328**	training hours
	Senior Leadership Focus Session	**244**	interview hours
	CEO/COO presence in "Building a Legacy Together" Forum	**68**	number
Embedding Project	Sustainability Champions Training on	**11**	training hours
	Prioritisation Radar: Company completion rate	**6**	number
	Prioritisation Radar: cluster completion rate	**10%**	percentage

Sustainability Report
on page 66

INTERNATIONAL PRESENCE

IBL IS PRESENT IN **18** COUNTRIES

1. BRAZIL
2. IVORY COAST
3. FRANCE
4. ROMANIA
5. UGANDA
6. KENYA
7. TANZANIA
8. COMOROS
9. MADAGASCAR
10. DUBAI
11. SEYCHELLES
12. REUNION
13. MAURITIUS
14. MALDIVES
15. INDIA
16. SRI LANKA
17. SINGAPORE
18. CHINA

GROUP STRUCTURE

IBL TOGETHER

AGRO & ENERGY

IBL Energy	100%	S
Alteo	27.64%	A

BUILDING & ENGINEERING

Manser Saxon	100%	S
CNOI	63.83%	S
UBP	33.14%	S

COMMERCIAL & DISTRIBUTION

BrandActiv	100%	O
HealthActiv	100%	O
Blychem	100%	S
CMH	100%	S
Intergraph	100%	S
Scomat	100%	S
Winners	100%	S
Phoenix Bev	23.28%	S
Naivas International	26.32%	A

FINANCIAL SERVICES

DTOS	100%	S
LCF International	100%	S
LCF Securities	77%	S
Eagle Insurance	60%	S
The Bee Equity Partners	34.95%	S
City Brokers	50%	JV
EllGeo Re	100%	S
AfrAsia Bank	30.29%	A
Ekada Capital	56.80%	S

HOSPITALITY & SERVICES

Arcadia Travel	100%	S
Alentaris	85%	S
Lux Island Resorts	56.47%	S
The Lux Collective	56.37%	S

LIFE & TECHNOLOGIES

Life Together	100%	S
IBL Link	100%	S
CIDP	90%	S
GWS Technologies	80%	S
Universal Media	55%	S
NovaLAB	100%	S
C+S	100%	S
HealthScape	100%	S
Clinique Bon Pasteur	27.57%	A

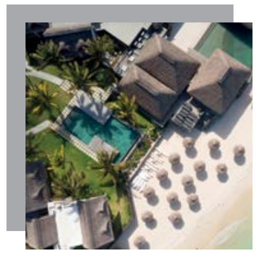
LOGISTICS

IBL Aviation	100%	O
IBL Shipping	100%	O
Ground2Air	100%	S
Logidis	100%	S
Reefer Operations	100%	S
Somatrans	75%	S
Australair	50%	S
G2ACamas	50%	S

SEAFOOD

Cervonic	85%	S
Seafood Hub	85%	S
Froid des Mascareignes	59.50%	S
Marine Biotechnology Products	56.95%	S
Marine Biotechnology Products Côte d'Ivoire	43.35%	S
Mer des Mascareignes	42.50%	A
Princes Tuna (Mauritius)	40.64%	A

PROPERTY



Bloomage	100%	S
BlueLife	57.41%	S

CSR

Chemin Rail & Amaury Housing Co Ltd		S
Fondation Joseph Lagesse		S
Les Cuisines Solidaires		S
Nou Zenfan Bois Marchand		S

(A) Associate | (JV) Joint venture | (S) Subsidiary | (O) Operation

OUR ACTIVITIES

Cluster	What We Do	Material Companies	Main Activities and Products/Services	Key Metrics and Competitive Strengths
Agro & Energy	The cluster is key to IBL's Beyond Borders and Sustainability strategies, with renewable energy emerging as a major driver of growth for the group in the coming years. The cluster also consists of the country's largest sugar producer, Alteo, with expertise in the entire sugarcane value chain, including the generation of electricity from by-products, and luxury property development. It pioneered coal bagasse in Mauritius and owns a substantial land bank on the East Coast of Mauritius, intended for the development of sustainable real estate projects.	· Alteo	· Sustainable regional leader in the sugar, renewable energy and property sectors. Leader in the Mauritian and East African sugar industry, with expertise in sugarcane growing and milling, and the production of special sugars and sugarcane by-products. It also owns and manages extensive tracts of land and real estate along Mauritius' East Coast, which it aims to develop in a sustainable manner through projects in the Energy and Property sectors.	· 5,638 team members · 3 sugar mills and 1 sugar refinery · 2 power plants, 1 solar farm, 1 wind energy farm, 1 waste-to-energy (biogas) plant · 31,200 hectares of land in Mauritius, Kenya and Tanzania (Alteo) · 15,998 hectares of sugarcane in Mauritius and Tanzania (Alteo) · 77,000 tonnes of special sugar produced (Alteo) · 184.4 GWh energy exported to the national grid · 103 GWh renewable electricity exported to the national grid (biomass and solar) · A world-class residential estate with a 5* hotel, Anahita, and an 18-hole championship golf course
		· IBL Energy	· Responsible for reducing IBL Group's energy use and developing investments/projects in the renewable energy sector.	
Building & Engineering	The cluster's businesses bring together in-depth expertise in construction, engineering, building materials and contracting solutions, delivering some of Mauritius and the wider region's largest and most prestigious infrastructural and property development projects.	· Manser Saxon	· A multi-disciplinary construction company based in Mauritius, with expertise in various specialist trades such as Mechanical, Electrical, and Plumbing (MEP), Fit-out Interiors, Facilities Management and Elevators.	· 3,821 team members · Active in 3 countries · Quality workmanship delivered by the Manson Saxon Training Academy, advancing the local construction industry · 10,000 m² state of the art Manufacturing Facility (Manser Saxon) · A one-stop shop for construction players along the value chain (UBP) · 1 call centre to service UBP, Drymix and Premix · A shipyard covering 55,000m², a 130-metre long dry dock and the world's largest mobile boat hoist
		· The United Basalt Products (UBP)	· A solutions provider for the construction industry with five vertically integrated businesses: a core business in the manufacturing and sale of construction materials, with expertise in additional concrete products, such as precast pavements, roof tiles, concrete pipes, slabs and kerbs. Also a leader in the building material market, especially in the blocks, aggregates and rocksand segment.	
		· Chantier Naval de l'Océan Indien (CNOI)	· Shipyard specialising in ship-repair and shipbuilding activities, providing craftsmanship across mechanics, pipeworks, painting and tank cleaning, amongst others. Its infrastructure and world-class technical skills make CNOI an essential infrastructure for the region's maritime players. CNOI is the only shipyard in the region to fully comply with European standards.	

OUR ACTIVITIES

Cluster	What We Do	Material Companies	Main Activities and Products/Services	Key Metrics and Competitive Strengths
Commercial & Distribution	The cluster consists of retailers and suppliers in the consumer, healthcare, industrial and engineering sectors, bringing leading brands to market in Mauritius and the Indian Ocean region. With pharma distribution, healthcare and supermarkets identified as major growth drivers for the group, the cluster is increasingly growing its footprint in East Africa.	· Brandactiv (IBL Ltd)	· Specialises in commercialising a wide variety of FMCGs in Mauritius, Madagascar, Reunion Island, Mayotte and Seychelles, across three main categories: Food & Beverages, Frozen & Chilled, and Personal & Home Care.	· 4,936 team members · 160 brands distributed (BrandActiv) and 70+ global leading brands represented (commercial engineering) · 191 laboratories/suppliers represented and 12 outlets (Healthcare Operations) · Healthcare coverage: 100% pharmacies, hospitals and clinics (HealthActiv) · 24 supermarkets and 1 hypermarket, 319 checkout tills, representing 555 local suppliers (Winners) · 2 e-commerce platforms · 4 production units, 1 glass recycling operation and 7 categories of beverages (PBL) · 10 agricultural and hygiene outlets situated across the island (Commercial engineering)
		· Healthcare operations: – HealthActiv (IBL Ltd) – MedActiv (MTCL)	· Distribution and marketing of healthcare solutions, with a portfolio comprising pharmaceutical, consumer health and animal health products, as well as medical and laboratory equipment and consumables. · Offering a broad range of medicine and personal care products through a retail network of 12 strategically located outlets	
		· Winners	· Leading supermarket chain in Mauritius, and the first to have democratised mass distribution in Mauritius by serving rural areas.	
		· Phoenix Beverages (PBL)	· Largest brewery in Mauritius offering a range of alcoholic and non-alcoholic beverages, including beers, wines, spirits, soft drinks, juice and table water. Authorised bottler of the Coca Cola company in Mauritius.	
		· CMH	· Offers various products and services for electrical installations, construction & material handling equipment, power tools and office furniture. It is the official distributor for various global leading brands.	
		· Scomat	· Offers a multitude of solutions with a mission to provide a comprehensive range of branded products and professional services in the heavy machinery, diesel, hydraulics and power systems businesses.	
		· Blychem	· Extensive experience operating in crop protection & agriculture, industrial hygiene, irrigation & sheltered farming, pool chemicals & maintenance, and industrial water treatment, with the aim of providing novel and quality products to clients.	
		· ServEquip	· Short & long-term rental of a fleet of 150 different types of equipment, supported by a workshop servicing all kinds of construction equipment. The Port operations provide round-the-clock repairs & maintenance services to Mauritius port cranes (STS and RTG) and power stations.	
		· Intergraph	· Print-media company supplying graphic and printing businesses with equipment, accessories and services for offset and digital digital printing, and finishing activities.	
Financial Services	Brings together the group's expertise in a wide range of financial services, including banking, asset management and stockbroking, global business, insurance, and insurance/reinsurance brokerage. It has a major footprint in Mauritius and an increasing regional and international presence. It is a significant contributor to the development and resilience of the island's financial infrastructure and capital markets.	· AfrAsia Bank	· Private Banking, Corporate Banking and International Banking, offering flexible and tailored investment and financial solutions.	· 910 team members · 900 Global Business entities under administration · Banking clients in 160 countries (AfrAsia) · 14,960 insurance claims handled (Eagle Insurance) · 9,170 insurance policies handled (City Brokers) · USD 16bn assets under management (DTOS)
		· DTOS	· Provision of fiduciary services to companies investing in India, China and Africa via the Mauritian International Financial Centre. Expertise in wealth structuring, corporate, fund, registry and compliance services.	
		· Eagle Insurance	· Insurance solutions for individuals, SMEs and large corporates across the main classes of General Insurance business, including Motor, Property, Liability, Health and Engineering.	
		· City Brokers	· Insurance brokerage services to individuals, SMEs and large corporates for both General and Long-Term Insurance (i.e. Life & Pension). Provides professional advice to clients regarding their insurance needs and in the claims adjudication process.	
		· Ellgeo Re	· Provides reinsurance brokerage to insurers. Also offers professional advice to insurers regarding all their reinsurance requirements, while acting as an intermediary between the reinsurer and insurer.	
		· The Bee Equity Partners	· Investment company mainly involved in Private Equity, providing capital and support to Mauritian SMEs to help them grow and prosper. Also manages a portfolio of listed equities.	
		· Ekada Capital	· A full-fledged asset management company offering comprehensive and independent investment solutions to High-Net-Worth Individuals, families and institutions.	

OUR ACTIVITIES

Cluster	What We Do	Material Companies	Main Activities and Products/Services	Key Metrics and Competitive Strengths
Hospitality & Services	The cluster brings together IBL's investments in the tourism and hospitality industry. Lux Island Resorts (LIR) is a property holding company that owns the cluster's real estate assets. The Lux Collective (TLC), a management company, owns a portfolio of hospitality brands (LUX*, Tamassa, SALT, SOCIO and Café LUX*) and manages all hotels owned by LIR, as well as hotels owned by third-party owners mainly in China, with a pipeline of signed agreements in Southeast Asia, Europe and the GCC regions.	· Lux Island Resorts (LIR)	· Investment property holding company headquartered in Mauritius which owns the cluster's portfolio of luxury resorts.	· 3,227 team members across 17 resorts in 4 countries · 121,500 guests as at June 2022 · Rs 6,794 Revenue Per Available Room · 1,596 rooms under management contract
		· The Lux Collective (TLC)	· Hotel management company headquartered in Singapore managing the hotels owned by LIR and other owners under long-term management contracts.	
Life & Technologies	The cluster is engaged in two areas of activity whose common denominator is cutting-edge technology. Through Life Together, the cluster offers state-of-the-art R&D services in Life Sciences, and B2C Health & Wellness activities, while IBL Link is the group's investment arm focusing on early-stage tech companies in Mauritius; through DotExe Ventures, it aims to become a trusted early-stage venture capital investor focusing on startups in East and South Africa.	**Life Together** · CIDP	· Private and independent CRO carrying out high-performance research and clinical activities for the pharmaceutical, nutraceutical and cosmetic industries.	· 833 B2B clients in 33 countries · 544 clinical studies · Vertically integrated Health and Wellness value proposition, rooted in a humane and compassionate approach to healthcare · USD 8.5m committed investment in venture capital funds (IBL Link Investments) · Co-management of a USD 18m fund · 250 web projects completed in FY2022 (GWS Technologies) · 627 media campaigns optimised and launched for 99 clients in FY2022 (Universal Media) · 300,000 visits per month and 78,500 products delivered in FY2022 (Price Guru)
		· Panacea	· Laboratory of aromatherapy	
		· NovaLAB	· Biomedical laboratory specialised in the detection of a wide range of infectious or non-infectious pathologies, chronic diseases, cancer and COVID-19.	
		· C+S	· Pluridisciplinary diagnostic center offering imagery, consultations and emergency services.	
		· Viva	· Unique day hospital with a state of the art operating theatre, that can accommodate any surgical or diagnostic procedure without an overnight stay.	
		· The Act	· An alternative medicine centre entirely dedicated to your health and wellbeing, with multidisciplinary and professional care.	
		· Platform Laser	· Cosmetic and aesthetic laser treatments.	
		· Clinique Bon Pasteur	· Private clinic providing medical and paramedical services in more than 30 specialties.	
		IBL Link · IBL Link Investments	· Investments in tech businesses in Mauritius.	
		· Dotexe Ventures	· Venture capital fund manager focusing on technology startups in Eastern and Southern Africa.	
		· GWS Technologies	· Website and app development, managed hosting services, Google Premier Partner.	
		· Universal Media	· Strategic media planning and buying, digital advertising.	
		· Price Guru	· E-commerce platform with vertically integrated logistics.	

OUR ACTIVITIES

Cluster	What We Do	Material Companies	Main Activities and Products/Services	Key Metrics and Competitive Strengths
Logistics	The cluster provides comprehensive, end-to-end logistics, shipping and aviation solutions, underpinned by technology, in Mauritius and the Indian Ocean.	· IBL Aviation	· General Sales Agent (GSA) representation with British Airways (Mauritius), Air Austral (joint venture between IBL Ltd and Air Austral of Reunion Island) and Air Madagascar.	· 740 team members · 11 airlines represented · 28,000 m² of warehousing · Increased number of flights handled to 55% of pre-Covid levels · 70% occupancy for dry warehouse and 75% for frozen warehouse · 122% increase in air freight volume
		· IBL Shipping	· Port agency services in Port Louis, offering support to all types of ships (cruise lines, specialised vessels, luxury yachts, liners, fishing vessels/reefer ships).	
		· Ground2Air (G2A)	· Aviation ground handling and cargo handling services, including Ramp Services, Cargo and Mail Services, Security Services, Passenger Services, Flight Operation / Load Control, Line Maintenance, Representation and Supervision Services.	
		· Logidis	· Warehousing, transportation of cargo, distribution of goods, corporate passenger services, taxi services and consultancy.	
		· Somatrans	· Movement of cargo, clearing & freight forwarding services, customers brokerage services.	
		· Arcadia Travel	· Outbound IATA-approved travel agency and tour operator.	
Seafood	Vertically integrated activities across the tuna value chain: from fish unloading and storage, to the transformation of fish into value-added products (canned fish, fish oils, fish soluble and fishmeal). By converting solid fish waste and effluents from its processing plants into energy, the cluster aims to become Mauritius' first zero-waste industry.	· Froid des Mascareignes (FDM)	· Cold storage facility dedicated to seafood products.	· Present in 2 countries · Over 5,000 team members across the value chain · Largest tuna business in the Indian Ocean · 5 manufacturing plants, including 2 canneries, 1 frozen fish processing plant and 2 state-of-the-art factories specialised in the production of fishmeal and fish oil · 16 cold rooms, with a cold storage capacity of 16,000MT · Full traceability of products along the supply chain, thanks to the cluster's vertical integration · Two decades of know-how in the transformation of fish waste into value added products · Ambition to have carbon-neutral operations by 2030
		· Transfroid	· Clearing and forwarding agent.	
		· Princes Tuna Mauritius	· Processing of canned tuna and tuna loins for export.	
		· Mer des Mascareignes	· Processing and packaging of frozen tuna steaks and loins.	
		· Marine Biotechnology Products (MBP) · Marine Biotechnology Products Côte d'Ivoire	· Production of fishmeal and fish oils from by-products.	
		· Cervonic	· Extraction and processing of premium quality cold-pressed tuna oil.	

OUR ACTIVITIES

Cluster	What We Do	Material Companies	Main Activities and Products/Services	Key Metrics and Competitive Strengths
Property	The cluster has strong expertise in land promotion, property development, property asset management and investment, and specialises in spatial planning in a way that integrates social, economic, and environmental considerations, as well as the needs of the surrounding community. The cluster also holds a substantial and diversified portfolio of high-value, strategically located real estate assets in Mauritius, spread across retail, office, industrial and hospitality asset classes.	· BlueLife	· Development and management of properties in the retail, residential and hospitality segments.	· 459 team members · Total assets of Rs 5bn (Bloomage) · Gross letting area of 100,000 sqm · 1,591,000 sqm of land earmarked for future development (BlueLife) · Circa 130,000 sqm of land earmarked for future development (Bloomage) · Rs 6,576 average TRevPar at Radisson Blu Azuri · Operational and service excellence · Pioneered Azuri Ocean & Golf Village, the first integrated coastal destination in Mauritius, rooted in strong principles of social and environmental responsibility, and communal living · Synergies between Bloomage and, BlueLife, as well as between the Property cluster and other IBL clusters
		· Bloomage	· Property investment, development, asset and property management.	

LEADERSHIP

CHAIRMAN'S MESSAGE

7 MIN

DEAR STAKEHOLDERS,

I am pleased to share that after two years of navigating a volatile and challenging environment, IBL has delivered a strong performance for the year and embarked on an exciting chapter in its growth story.

The pandemic has had a profound impact on business since the second half of FY2020, throughout FY2021 and in the first half of the current FY2022, impacting people's health, and causing economic and social disruptions throughout the world. There have also been significant changes in the way business is conducted.

Closer to home, in Mauritius, businesses were faced with supply chain challenges, inflationary pressures and rising logistics and freight costs, while also dealing with foreign currency shortages, in particular as tourism was halted when borders remained closed until October 2021.

More recently, the war in Ukraine has affected everyone in ways that could not have been anticipated in this century. First, the human tragedy is enormous with a high number of casualties claimed on both sides, and the impact on families resulting from mass migration. The amplifying inflationary effects are being felt on fuel and commodities in all countries across the world. Unfortunately, Mauritius will not be spared, and we expect import and operating costs to put businesses under enormous pressure. We also recognise that not everyone is affected equally, as certain regions and communities are more vulnerable to the overlapping crises of Covid-19, the war in Ukraine and climate shocks.

In spite of the above, I am happy to report that many of our sectors which were severely affected during the pandemic have recovered to pre-pandemic levels or above, which leads me to believe that IBL is well positioned to continue its growth journey in the future. That said, we will continue to closely monitor the shifting sanitary and economic landscape, the evolution of inflation and its ripple effects on interest rates, as well as how the geopolitical situation unfolds.

PERFORMANCE

Group turnover for FY2022 grew to Rs 44.98 billion compared to last year and also exceeded pre-Covid levels by 15%. Group operating profit rose by 5.7 times over the previous year, and profit before tax (PBT) has been multiplied by 7.3, reaching Rs 2.68 billion for the year. Both of these also exceeded pre-pandemic levels despite the fact that some of the businesses that were classified as 'Highly Impacted' by the pandemic were still affected during the first half of this year. Overall, our businesses have come out of the pandemic stronger than they were going into it.

Our leadership and management teams have been central to the delivery of these results, which gives me confidence that we have the right talents in place to lead our businesses to sustained growth and stability.

The company's share price has also returned to pre-pandemic levels, with the overall return to shareholders standing at 10.74% for the year.

Figures as at 30 June 2022	
Increase in share price since 30 June 2021	9.48%
Dividends paid	Rs 0.60 per share (2021: Rs 0.45 per share)
Total number of shares	680,224,040
Market capitalisation	Rs 35.37bn

CHAIRMANS' MESSAGE

STRATEGY

We continued to strengthen our Mauritian core with investments across sectors in which the group has world-class expertise, and innovating on our product offering locally. To name the more visible examples, we continued to improve and expand the Winners network, our domestic retail business; we opened LUX* Grand Baie for business in a very challenging context, receiving outstanding international acclaim; and we have made significant progress in launching our healthcare offering via our clinics and diagnostic centres in the North and West of the island.

A large part of our growth strategy involves increasing our footprint in East Africa, in pursuit of which we have earmarked a number of industries where we intend to focus. This includes Commercial - encompassing Retail, Wholesale, Healthcare, with Logistics in a supporting role - as well as targeted investments in Energy and Property. It must be noted that we are already present in Africa in a number of segments, namely Agro with indirect stakes in the sugar sector in Kenya and Tanzania, Seafood via our biotechnology business in Ivory Coast, and our global business DTOS, to name a few.

Senior Management spent a major part of the year evaluating key strategic opportunities, which concluded in the acquisition of a significant stake in Naivas after the financial year end in July 2022. Naivas is the largest retail chain in Kenya, with a network of over 80 stores selling food and beverages, and in selected stores, apparel and consumer electronics. This family-founded business has been growing at a double-digit pace and is projected to continue growing even more rapidly in years and decades to come with rising levels of urbanisation and the expansion of the middle class fueling growth in the retail sector. The acquisition itself was achieved through a consortium including two development financial institutions as partners alongside IBL. This consortium acquired a 40% stake in Naivas International, making it the single largest acquisition made in IBL's history. Other opportunities are also being evaluated in the sectors mentioned above.

In the Renewable Energy segment, we have an objective of supporting various businesses and clusters in their transition towards circularity and energy efficiency. Several projects are being evaluated in niche areas, with a view to participating in an industry that is scaling up and expanding regionally to respond to fast-growing energy demands in Africa. We see the changes in this industry to be irreversible, exacerbated by the increase in commodity prices, which should present significant opportunities in the future.

A clear human capital roadmap is a key enabler of our strategy. Over the years, IBL has strengthened its culture and successfully attracted and retained the best talent at senior levels. The group is taking its People strategy to the next level with the creation of a Performance Academy aimed at developing leaders for the future.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

Good corporate governance is a cornerstone of IBL's long-term success, particularly given our scope of activities and geographic diversification.

During the year, a new Risk Appetite Statement was approved by the Board, aligned with IBL's strategy. It considers the complexity of the group's activities, as well as the varying risk and governance maturity levels of different IBL subsidiaries.

We continue to strive for a diverse and highly skilled composition of the Board to ensure that we fulfil our fiduciary duty towards our stakeholders to the best of our ability. We welcomed two Independent Non-Executive Directors, George Desvaux and William Egbe, who joined the Board on 01 July 2022 and 01 October 2022 respectively. George Desvaux, who took over from Maxime Rey, was previously a Senior Partner at McKinsey and is highly regarded for his strategic and business development acumen, as well as his contributions to several macroeconomic reports and a book entitled 'Africa's Business Revolution'. Upon his appointment on 01 January 2023, he will take over the chairmanship of the Corporate Governance Committee and serve as a member of the Strategic Committee. William Egbe has been a Group Director, Sustainability and Strategy at Coca-Cola Eurasia and Africa Group. He brings a wealth of experience in operations, general management, investment analysis and governance built from serving on the boards of several companies and NGOs across Europe and Africa. He remains highly engaged in sustainability and philanthropic initiatives. Upon the recommendation of the Corporate Governance Committee, he will take over from Pierre Guénant as Chairman of IBL's Strategic Committee from 01 January 2023.

The Board is satisfied that the new Directors will bring the new competences and relevant experience that are crucial to the new direction and ambitions of our business.

FY2022 was also a watershed year for the group, during which sustainability took a sharper focus. We adopted a unique in-house methodology that will build on the work done over the past years and take it further. Our goal is not only to limit our impact; instead, we are seeking out opportunities to regenerate the systems in which we operate. Our ESG priorities are being defined at an entity-level, cluster-level, and eventually at a group-level, enabling us to articulate a clear pathway for a sustainable future.

Last but not least, the Fondation Joseph Lagesse is pursuing its CSR efforts, continuing to go beyond 'cheque-book philanthropy' to make measurable and long-lasting changes in communities. We are aware that we are at the beginning of a long and complex journey, but IBL is committed to intensifying its efforts towards empowering the most vulnerable communities and providing them with the tools to move towards a more equitable and inclusive future.

OUTLOOK

Looking ahead, the international environment is still uncertain and volatile. Inflation, tightening monetary policies and associated rising interest rates are likely to worsen over the short term as the war in Ukraine evolves. However, should Mauritius maintain its growth momentum and consumer spending recover, most businesses across IBL are expected to take full advantage of the effects of the reopening of borders and return to profitability.

IBL has ambitious projects in the pipeline and is investing in growth drivers regionally that will not only generate business value, but also drive progress towards more circular and sustainable business models. We have a healthy Mauritian core, and a promising strategy for East Africa. Our portfolio remains well diversified across industries, and our geographic diversification will be enhanced with our increased footprint in a region with attractive growth prospects.

ACKNOWLEDGEMENTS

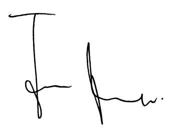
On behalf of my colleagues on the Board, I would like to thank our outgoing Director, Maxime Rey, for his six years of valued service to the group. I convey my sincere appreciation for his dedication and guidance, and wish him the best for the future.

I would also like to acknowledge our great debt of gratitude to Pierre Guénant, who passed away this September, a few days before the end of his service as Director. His integrity and judgement were highly respected, and we have all benefitted greatly from his wide experience, leadership and wise counsel as Chairperson of the Strategic Committee. We feel privileged to have worked alongside him for seven years. He will be greatly missed as a fellow Director and as a valuable friend.

We are confident that the incoming Directors on the Boards of IBL will bring new perspectives to our deliberations, and that the group will benefit greatly from their guidance in the coming years. On behalf of the Board, I welcome them all.

I would also like to thank our group CEO, Arnaud Lagesse, for steering IBL through another challenging year and managing to make it one of the most pivotal chapters in the group's history. To all our shareholders, employees, business partners, customers and other stakeholders, thank you for entrusting us with your continued support.

I would like to end my message by applauding all of IBL's teams, who have proven their resilience and ability to rise above challenges and change requirements. Seeing this, I have every confidence that we have the collective strength to set the course for a more equitable and prosperous future, and together, defend our legacy.



JAN BOULLÉ
Chairman of the Board of Directors

MEET OUR BOARD OF DIRECTORS

RICHARD ARLOVE
Independent Non-Executive Director

JEAN-CLAUDE BÉGA
Executive Director & Group Head of Financial Services & Business Development

JAN BOULLÉ
Non-Executive Chairman

MARTINE DE FLEURIOT DE LA COLINIÈRE
Non-Executive Director

ISABELLE DE MELO
Independent Non-Executive Director

GEORGES DESVAUX
Independent Non-Executive Director

WILLIAM EGBE
Independent Non-Executive Director

ARNAUD LAGESSE
Executive Director & Group CEO

BENOIT LAGESSE
Non-Executive Director

HUGUES LAGESSE
Non-Executive Director

JEAN-PIERRE LAGESSE
Non-Executive Director

THIERRY LAGESSE
Non-Executive Director

GILLES MICHEL
Independent Non-Executive Director

JEAN RIBET
Non-Executive Director

DIRECTORS' PROFILES

RICHARD ARLOVE

Independent Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/01/2021

Skills and experience

Richard Arlove started his professional career in Big Four accounting firms and subsequently held General Management and CEO positions in companies involved in the marketing of international brands, in manufacturing and in corporate and financial services.

Qualifications

- Fellow of the Association of Chartered Certified Accountants (FCCA)

External appointments

- Board member and chair of international companies and private equity funds

Core competencies

- Business and finance advisory, strategic development, change management and governance, international structuring, investment in Africa

JEAN-CLAUDE BÉGA

Executive Director

Citizen and Resident of Mauritius
Appointed: 01/08/2018

Skills and experience

Born in 1963, Jean-Claude started his career in 1980, spending seven years as external auditor before moving to a sugar group to perform various functions within accounting and finance. He joined GML in 1997 as Finance Manager and is currently the group Head of Financial Services and Business Development.

Qualifications

- Fellow of the Association of Chartered Certified Accountants

External appointments

- BlueLife Limited
- Ekada Capital Ltd
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- The Bee Equity Partners Ltd
- The United Basalt Products Ltd

Core competencies

- Finance, Mergers and Acquisitions, Strategic Development

JAN BOULLÉ

Non-Executive Chairman

Citizen and Resident of Mauritius
Appointed: 01/03/2016
Chairman: 01/07/2016

Skills and experience

Jan Boullé worked for The Constance Group from 1984 to 2016 and occupied various executive positions and directorships during which he acquired expertise in hospitality and real estate development.

Qualifications

- "Ingenieur Statisticien Economiste" France
- Post Graduate studies in Economics – Université Laval- Canada

External appointments

- BlueLife Limited
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- The United Basalt Products Limited
- Phoenix Investment Company Limited
- Camp Investment Company Limited
- Afrasia Bank Ltd

Core competencies

- Strategic Development, Hospitality and Real Estate Development

MARTINE DE FLEURIOT DE LA COLINIÈRE

Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 11/11/2016

Skills and experience

Martine de Fleuriot de la Colinière heads the Commercial, Corporate and Banking department of ENSafrica (Mauritius), one of the largest law firms in Mauritius. She is an experienced barrister and is recognised as a leading lawyer by international directories such as The Global Guide of Chambers and Partners, ILFR 1000 and Legal 500.

Qualifications

- Diplômes d'Etudes Approfondies – Mention Droit Privé - Université de Droit, d'Economie et des Sciences Sociales – Aix Marseille III
- Barrister's Examination – Council of Legal Education Mauritius

External appointments

- None

Core competencies

- Law, Mergers and Acquisitions, Corporate Restructuring, Banking, Security Law

ISABELLE DE MELO

Independent Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 27/09/2019

Skills and experience

Isabelle de Melo has held executive and leadership positions as CFO, Head of HR and COO in various fast growing companies and institutions, from high technology to aviation and financial services including Arthur Andersen Audit, Gemplus, PrivatAir, SETE. She has been an active angel investor since 2009 and co-founded Mo Angels in Mauritius to support entrepreneurship in Mauritius and Africa. She is fellow of the Mauritius Institute of Directors (MIOD).

Qualifications

- HEC Paris – Paris, France
- MIOD- Open University of Mauritius - Post Graduate Diploma in Corporate Governance

External Appointments

- AfrAsia Bank Limited

Core competencies

- Finance, Mergers and Acquisitions, Treasury, Human Resources, Information Technology

GEORGES DESVAUX

Independent Non-Executive Director

Non-Citizen and Non-Resident of Mauritius
Appointed: 01/07/2022

Skills and experience

Georges Desvaux is the Chief Strategy and Business Development Officer and Member of the Management Committee of the AXA Group, the global insurance leader. Prior to joining AXA, he was a Senior Partner at McKinsey & Company for 30 years in Europe, Asia and Africa, including Managing Partner of Japan and Africa, member of McKinsey's Shareholders Council and Chair of the Governance Committee. At McKinsey, Georges has co-authored several macroeconomics reports, including "Lions on the Move 2" (McKinsey Global Institute 2016), and a book entitled "Africa's Business Revolution" (Harvard Business Review 2018). Georges is passionate about gender diversity leading to him co-founding "Women Matter" in 2007, McKinsey's research series on the role of women in corporations.

Qualifications

- Graduated from Ecole Centrale Paris and holds a M.S. in Mech. Engineering from MIT

External appointments

- Chairman and member of the Management Committee of AXA ASIA, member of the Supervisory Board of GIE AXA, member of the Supervisory Board of AXA Climate, member of the Fund-Raising Europe Committee for Alima – the Alliance for International Medical Action – a leading NGO focused on medical support and medical innovation in Africa

Core competencies

- Corporate Strategy, Business Unit Strategy, Marketing and Growth Strategies, Governance and Organisation, Capabilities Insurance, Technology, Consumer and Retail

DIRECTORS' PROFILES

WILLIAM EGBE
Independent Non-Executive Director

Non-citizen and Non-resident of Mauritius
Appointed: 01/10/2022

Skills and experience
William Egbe is an engineer by training, a corporate executive, and a company director with almost thirty years of experience in leadership roles within American and British multinational companies, operating in North America, Latin America, Europe, Africa, the Middle East, and Southeast Asia. He has held engineering, finance, marketing, manufacturing, and general management roles in the Telecoms, Oil & Gas, Food & Beverage, and Imaging industries. He has spent 19 years in general management and executive roles within the Coca-Cola Company, including serving as President for Coca-Cola's business in Sub-Saharan Africa. He has also previously served as Managing Director for Kodak's Dental products business for Europe, Africa, and the Middle East, headquartered in Germany.

Qualifications
- B.Sc. in Electrical Engineering and MBA from Howard University, USA.

External appointments in both listed and non-listed companies
- Independent Board Member, Tana Africa Capital (Mauritius)
- Board of Trustees, Jacobs Foundation (Switzerland)
- Board member, Essential Med Foundation (Switzerland)

Core competencies
- General Management, Operations Optimization, Corporate Strategy, Franchise Operations, Investment and Growth Advisory, Business Operations in Africa, Europe, and Middle East.

ARNAUD LAGESSE
Executive Director & Group CEO

Citizen and resident of Mauritius
Appointed: 23/03/2015
Group CEO: 01/07/2016
2005-2016: 12 years of experience as CEO

Skills and experience
Arnaud Lagesse is the group CEO of IBL Ltd. He is one of the Mauritian private sector's most prominent leaders and is known to drive IBL Group with innovative and challenging undertakings. In 2016, he initiated the merger of GML Investissement Ltée and Ireland Blyth Limited and created the new entity, IBL Ltd, which thus became the No. 1 group in Mauritius and 2nd largest group in the region, excluding South Africa.

Qualifications
- Breakthrough Executive Program – Egon Zehnder-Mobius, Portugal
- Advanced Management Program (AMP180) – Harvard Business School, United States
- Executive Education Program – INSEAD, France
- Graduated from the Institut Supérieur de Gestion – Paris, France
- Masters in Management – Université d'Aix-Marseille II, France

External appointments in both listed and non-listed companies
Chairman
- Bloomage Ltd
- Camp Investment Limited
- City Brokers Ltd
- Fondation Joseph Lagesse
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The Lux Collective Limited

Member of the Board of Directors
- IBL Ltd
- Alteo Agri Ltd
- Pick and Buy Limited
- Seafood Hub Limited
- Other non-listed Mauritian Companies

Core competencies
- Business & Finance, Deal Structuring, Strategic Business Development

BENOIT LAGESSE
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 12/02/2018

Skills and experience
Benoit Lagesse started his career with Touche Ross before working at Canadian Pacific in London. He then moved to Zimbabwe to manage a farming business.

Qualifications
- Bachelor of Science (Computers) – Manchester University – England
- Chartered Accountant – England & Wales

External appointments
- Chairman of GML Ineo Ltée
- Chairman of Mon Loisir Ltée
- Alteo Energy Ltd
- Compagnie Sucrière de Saint Antoine

Core competencies
- Finance, Accounting and Agriculture

HUGUES LAGESSE
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Hugues Lagesse, who currently holds the position of CEO of Bluelife Limited (BLL), was formerly Head of Projects and Strategic Property Development at BLL, a real estate company that develops property in Mauritius. He has acquired considerable experience and competence in high-end residential and mixed-use real estate.

Qualifications
- Diploma in Administration and Finance – Ecole Supérieure de Gestion – Paris
- Management Program INSEAD - France
- Real Estate Program – Harvard Business School – United States
- General Management Program for Mauritius and South East Africa – ESSEC

External appointments
- BlueLife Limited
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- Camp Investment Company Limited
- Arie Capital Investment Ltd

Core competencies:
- Real Estate, Property Development, Management

JEAN-PIERRE LAGESSE
Non-Executive Director

Citizen and Non-resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Jean-Pierre Lagesse is a specialist in property investment, development, asset enhancement and portfolio management in London, having been a partner of 10 Ant Group since 2007, and is responsible for the purchase and redevelopment of real estate. He has more than twenty years of experience in the sector, in Europe and Africa.

Qualifications
- MBA from Cranfield School of Management – UK

External appointments
- None

Core competencies
- Property Development, Real Estate

THIERRY LAGESSE
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Thierry Lagesse, a past Chairman of the company (previously known as GML Investissement Ltée) from 2007 to 2013 is a visionary entrepreneur, who amongst others launched a Direct To Home satellite television company in the Indian Ocean Islands. For forty years Thierry Lagesse contributed to build up the textile industry in Mauritius.
He serves as a director on the Boards of several companies listed on the Stock Exchange of Mauritius.

Qualifications
- Maîtrise des Sciences de Gestion – Université de Paris Dauphine

External appointments
- Alteo Limited
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The United Basalt Products Ltd
- Camp Investment Company Limited

Core competencies:
- Entrepreneurship, Business Development and Finance, Strategic Development, Hospitality, Manufacturing, Textile, Media

DIRECTORS' PROFILES

GILLES MICHEL
Independent Non-Executive Director

Non-Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Gilles Michel has held executive positions in major international companies and institutions like Saint Gobain Group, PSA Peugeot Citroën and Fonds Stratégique d'Investissement. He was, until 2018, Chairman and CEO of Imerys.

Qualifications
- Ecole Polytechnique, Ecole Nationale de la statistique et de l'Administration Economique (ENSAE)
- Institut d'Etudes Politiques (IEP) Paris

External appointments
- Management and Development Company Limited (« Madco »)
- Maurilait Production Limitée
- Solvay (Bruxelles)
- Valeo (Paris)
- Président du Charles Telfair Institute

Core competencies
- Automobile Industry, Process Industry, Strategic Development, Management

JEAN RIBET
Non-Executive Director

Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Jean Ribet has been the group Chief Executive Officer of the Constance Group since 2004, with overall responsibility for the agro-industrial, tourism and investment activities of the group.

Qualifications
- Bachelor of Commerce degree - University of Cape Town

External appointments
- BMH Limited
- Constance Hotels Services Ltd
- Constance La Gaieté Co. Ltd
- Hotelest Ltd
- Livestock Feed Ltd

Core competencies
- Finance, Strategic Development

STÉPHANE LAGESSE
Alternate Director to Thierry Lagesse

Citizen and Resident of Mauritius
Appointed: 01/07/2016

Skills and experience
Stephane Lagesse has extensive experience in the garment sector, having worked for more than 35 years for the Palmar Group in Mauritius.

Qualifications
- Degree in Gestion des Entreprises – Paris Dauphine

External appointments
- The United Basalt Products Ltd

Core competencies
- Finance, Textile, Manufacturing and Trading

ORGANISATIONAL STRUCTURE

CHAIRMAN OF THE BOARD OF DIRECTORS
Jan Boullé

GROUP CHIEF EXECUTIVE OFFICER
Arnaud Lagesse

EXECUTIVE ASSISTANT
Anne Clarenc

ALTEO CEO
Fabien de Marassé Enouf

BLOOMAGE CEO
Robin Hardin

INTERGRAPH CEO
Patrick Macé

PHOENIXBEV CEO
Bernard Theys

THE LUX COLLECTIVE CEO
Paul Jones

UBP CEO
Stéphane Ulcoq

GROUP HEAD OF OPERATIONS
Patrice Robert

BRANDACTIV COO
Patrice Marie

HEALTHACTIV COO
Fabrice Adolphe

IBL ENGINEERING COO
Michel Dupont

LOGISTICS COO
Danny Ah Chong

MANSER SAXON COO
Neeraj Hurbungs

CNOI COO
Franck Piriou

SEAFOOD COO
Cougen Purseramen

WINNERS COO
Aldo Létimier

CFO GROUP OPERATIONS
Preetee Jhamna

GROUP HEAD OF FINANCIAL SERVICES & BUSINESS DEVELOPMENT
Jean-Claude Béga

AFRASIA INTERIM CEO
Thierry Vallet

BLUELIFE CEO
Hugues Lagesse

CITY BROKERS CEO
Jean-Christophe Cluzeau

DTOS CEO
Jimmy Wong

EAGLE INSURANCE CEO
Derek Wong

ELLGEO RE CEO
Jean-Alain Francis

LCF SECURITIES CEO
Raj Tapesar

LUX ISLAND RESORTS CEO
Désiré Elliah

THE BEE EQUITY PARTNERS CEO
Olivier Fayolle

HEAD OF BUSINESS DEVELOPMENT- MERGERS & ACQUISITIONS
Hubert Leclézio

HEAD OF BUSINESS DEVELOPMENT – EAST AFRICA
Jorsen Patten

HEADS OF FINANCIAL SERVICES
Sattar Jackaria and Laurent de La Hogue

GROUP HEAD OF CORPORATE SERVICES
Thierry Labat

HEAD OF CORPORATE AFFAIRS
Diane Henry

GROUP CHIEF HUMAN CAPITAL OFFICER
Hubert Gaspard

HEAD OF COMMUNICATIONS
Caroline Tyack

HEAD OF RISK MANAGEMENT & COMPLIANCE – ETHICS OFFICER
Olivier Decotter

HEAD OF GROUP LEGAL AFFAIRS
Anaick Larabi

GROUP AUDIT EXECUTIVE
Kevin Maurymoothoo

GENERAL MANAGER OF TRADEMARKS & CONSULATES
Ruben Payen

ALENTARIS CEO
Thierry Goder

GROUP HEAD OF TECHNOLOGY & SUSTAINABILITY
Christine Marot

HEAD OF TECHNOLOGY & DIGITAL TRANSFORMATION
Diya Nababsing-Jetshan

HEAD OF SOCIAL INCLUSION
Martine de Souza

LIFE TOGETHER CEO
Géraldine Jauffret

IBL LINK CEO
Laurent Fayolle

HEAD OF SUSTAINABILITY
Luvna Arnassalon-Seerungen

GROUP CHIEF FINANCE OFFICER
Dipak Chummun

HEAD OF GROUP FINANCE & ANALYTICS
Dev Ramasawmy

HEAD OF TREASURY
Yannick Ulcoq

GROUP STRATEGIC INNOVATION & EXCELLENCE EXECUTIVE
Delphine Lagesse

IBL EAST AFRICA COO
Michel Pilot

EXECUTIVE TEAM

FABRICE ADOLPHE
COO – HealthActiv

DANNY AH CHONG
COO – Logistics

LUVNA ARNASSALON–SEERUNGEN
Head of Sustainability

JEAN-CLAUDE BÉGA
Group Head of Financial Services & Business Development

CLAIRE BLAZY-JAUZAC
CEO – CIDP

DIPAK CHUMMUN
Group Chief Finance Officer

JEAN-CHRISTOPHE CLUZEAU
CEO – City Brokers

LAURENT DE LA HOGUE
Head of Financial Services

FABIEN DE MARASSÉ ENOUF
CEO – Alteo

MARTINE DE SOUZA
Head of Social Inclusion

OLIVIER DECOTTER
Head of Risks & Compliance Management – Ethics Officer

MICHEL DUPONT
COO – IBL Engineering

PIERRE EGOT
GM – IBL Energy

DESIRÉ ELLIAH
CEO – Lux Island Resorts

LAURENT FAYOLLE
CEO – IBL Link

OLIVIER FAYOLLE
CEO – The Bee Equity Partners

EXECUTIVE TEAM

JEAN-ALAIN FRANCIS
CEO – EllGeo Re (Mauritius)

HUBERT GASPARD
Group Chief Human Capital Officer

THIERRY GODER
CEO – Alentaris

ROBIN HARDIN
CEO – Bloomage

DIANE HENRY
Head of Corporate Affairs

NEERAJ (ASHUTOSH) HURBUNGS
COO – Manser Saxon

SATTAR JACKARIA
Head of Financial Services

GÉRALDINE JAUFFRET
CEO – Life Together

PREETEE JHAMNA
CFO – Group Operations

PAUL JONES
CEO – The Lux Collective

STEENA KISTNEN
Head of Academy

THIERRY LABAT
Group Head of Corporate Services

ARNAUD LAGESSE
Group CEO

DELPHINE LAGESSE
Group Strategic Innovation & Excellence Executive

HUGUES LAGESSE
CEO – BlueLife

ANAICK LARABI
Head of Group Legal Affairs

HUBERT LECLÉZIO
Head of Business Development – M&A

KEVIN LENNON
Head of Group Human Capital Operations

EXECUTIVE TEAM

ALDO LÉTIMIER
COO – Winners

PATRICK MACÉ
CEO – Intergraph

PATRICE MARIE
COO – BrandActiv

CHRISTINE MAROT
Group Head of Technology & Sustainability

KEVIN MAURYMOOTHOO
Group Audit Executive

DIYA NABABSING-JETSHAN
Head of Technology & Digital Transformation

JORSEN PATTEN
Head of Business Development East Africa

RUBEN PAYEN
GM – Trademarks & Consulates

MICHEL PILOT
COO – IBL East Africa Investment

FRANCK PIRIOU
COO – CNOI

COUGEN (GOPALAKRISHNA NAIDU) PURSERAMEN
COO – Seafood

DEV RAMASAWMY
Head of Group Finance & Analytics

PATRICE ROBERT
Group Head of Operations

RAJ TAPESAR
CEO – LCF Securities

BERNARD THEYS
CEO – Phoenix Beverages Group

CAROLINE TYACK
Head of Communications

STÉPHANE ULCOQ
CEO – UBP

YANNICK ULCOQ
Head of Treasury

EXECUTIVE TEAM

THIERRY VALLET
Interim CEO – AfrAsia Bank

DEREK WONG
CEO – Eagle Insurance

JIMMY WONG
CEO – DTOS

KEY SENIOR OFFICERS' PROFILES

DIPAK CHUMMUN

Group Chief Finance Officer

Appointed: 01/07/2016

Skills and experience

- Started career in 1990 with PwC in London within Audit and Consulting and later moved to Singapore to join PWC's Banking Advisory Unit.
- Joined Standard Chartered Bank in 1996 and subsequently held Regional & Group Head roles in Corporate and Investment Banking, Strategy, M&A and Finance with major international banks, including Barclays, Emirates NBD and Deutsche Bank in London, Hong Kong, Dubai, Singapore and Frankfurt.
- Most recently was Director for Business Performance and Strategic Financial Planning at Deutsche Bank's global headquarters in Frankfurt.
- Was appointed Executive Director and Group Chief Finance Officer for Ireland Blyth Limited on 1 January 2015 and after the latter's amalgamation into IBL Ltd (formerly GMLI), was appointed Group Chief Finance Officer of IBL Ltd on 1 July 2016.

Qualifications

- Bachelor's Degree in Computer Science (BSc Honours) – University of Manchester, United Kingdom
- Fellow of the Institute of Chartered Accountants (FCA) – England and Wales (ICAEW)

THIERRY LABAT

Group Head of Corporate Services

Appointed: 01/07/2017

Skills and experience

- Was appointed Company Secretary of GML in 2001, then Group Company Secretary & Head of the Corporate Affairs of IBL Ltd in 2016.
- Played a role in the successful closing of significant mergers and acquisitions of listed companies.
- Was appointed Group Head of Corporate Services of IBL Ltd in 2017, now leading the following Group functions: Corporate Affairs, Legal Affairs, Human Capital, Communications, Risk Management & Compliance, Internal Audit and Trademarks & Consulates.

Qualifications

- Chartered Secretary and Fellow of the Institute of Chartered Secretaries and Administrators (ICSA), South Africa and United Kingdom respectively
- Executive Management Programme – ESSEC Business School

CHRISTINE MAROT

Group Head of Technology & Sustainability

Appointed: 01/07/2020

Skills and experience

- Started her career with BDO, formerly De Chazal Du Mée & Co.
- Was Finance Executive – Corporate and Accounting at GML Management Ltée where she was involved at a senior level in businesses across the GML Group, now IBL Group.
- Was appointed as Acting CEO of BlueLife Limited in November 2014 and CEO in May 2015.
- Was appointed Group Head of Technology and Sustainability in July 2020.
- Has been a board member of companies operating in various sectors including financial services, hospitality, real estate and related services.

Qualifications

- Accountant by profession
- Executive Management Programme – ESSEC Business School

PATRICE ROBERT

Group Head of Operations

Appointed: 01/08/2018

Skills and experience

- Worked in Singapore for 10 years, as consultant in Supply Chain and Strategy at Accenture, then as Vice President of DHL's Service Parts Logistics Business Unit for the Asia Pacific region.
- Joined IBL Ltd in 2008 and most recently as Chief Operating Officer for the Seafood cluster for which he oversaw local operations and its development internationally. Promoted as Group Head of Operations in August 2018, responsible for IBL Ltd's Manufacturing & Processing, Logistics, Commercial, Building & Engineering activities.

Qualifications

- Bachelor's Degree in Engineering – University of Portsmouth, United Kingdom
- MBA – University of Chicago Booth School of Business, United States of America

ARNAUD LAGESSE

Executive Director and Group CEO

Appointed: 01/07/2016

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JEAN-CLAUDE BÉGA

Executive Director and Group Head of Financial Services & Businesses Development

Appointed: 01/08/2018

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STRATEGY

INTERVIEW WITH THE GROUP CEO

11 MIN

HOW DO YOU LOOK BACK ON FY2022, ANOTHER YEAR DOMINATED BY THE EFFECTS OF THE PANDEMIC?

At the start of FY2022, I voiced my hope that the worst was behind us and I anticipated things to get back to normal. I am both proud and relieved that this statement has proven to be true for IBL Group, albeit some lingering fragility on the socio-economic front.

For over a year and a half, between March 2020 to October 2021, and straddling three of our financial years, the pandemic brought the tourism industry in Mauritius to its knees. Travel was restricted and borders remained closed as the island attempted to stem a humanitarian crisis. Businesses and households had to – and continue to – endure the challenges of disrupted supply chains, soaring shipping costs, hikes in food, fuel and commodities prices, and reduced spending power. Despite this backdrop, most businesses across the group weathered the storm and emerged operationally and financially stronger. The full reopening of borders in October 2021 brought some much-needed relief to the tourism industry, with positive ripple effects on the rest of the economy and on business confidence.

Besides our Hospitality cluster, which unquestionably benefitted from this environment, we saw our Agro & Energy, Commercial & Distribution and Seafood clusters return to growth. Looking back, I am incredibly proud of the resilience and ingenuity of IBL's team members and businesses alike. It is a fact that the pandemic disrupted our activities to an extent no one could have anticipated. However, every disruption provided the impetus to learn and improve. The crisis called for a judicious and targeted deployment of resources and an innovative mindset to cater to new demands in terms of products, services and channels. We were able to demonstrably achieve both.

The past year was also a year of renewal and historic alignment for the group. We are fully aware that high inflation is causing hardships in Mauritius and weighing heavily on families across the country. The war in Ukraine is amplifying this situation and is particularly detrimental to lower-income households and the most vulnerable segments of the population.

As a group with considerable reach and a large sphere of influence, it became vital for us to respond with bolder ambitions and to rethink our potential together. We set out on a course to re-emphasise sustainability's central place as part of the purposeful legacy IBL wishes to leave behind for future generations.

WHAT WERE THE BIGGEST OPERATIONAL AND COMMERCIAL HIGHLIGHTS OF IBL'S PERFORMANCE DURING THE YEAR?

Much of the credit for the group's much stronger financial performance compared to last year can be ascribed to the Hospitality cluster's remarkable rebound, which recorded operating profits of Rs 1.6 Bn after two loss-making years. And this despite inflationary pressures and travel restrictions in several markets we either operate in or serve. Our Real Estate and Logistics businesses also improved with the reopening of borders, whilst other businesses such as Afrasia, DTOS and CNOI, which serve many foreign clients, could go back to growing their businesses. As a result, operating profits have increased substantially compared to last year, and for many, profits were higher than before the pandemic.

Beyond delivering strong financial performances, several strategic milestones were achieved:

- In some ways, FY2022 marked a new era in UBP's chapter. It pursued its transformation into a vertically integrated solutions provider for the construction industry by consolidating Premixed Concrete Ltd as a subsidiary. Building on the improved performances of its overseas subsidiaries, UBP signed a Sales and Purchase Agreement in June 2022 to acquire several manufacturing and trading companies from a key player in the industry in Reunion. Once the conditions of the deal have been satisfied in Q3 2023, this acquisition will strengthen UBP's presence in Reunion and ramp up its production capacity in the region.
- With travel surging worldwide due to pent-up demand, the Hospitality cluster came roaring back. New management contracts were signed in the UAE and China, and LUX* Grand Baie, the group's flagship hotel, opened in December 2021 to very favourable response. Our hotels across the world are earning international acclaim and enjoying high occupancy rates due to the ability to constantly raise the bar and meet the expectations of discerning travellers from any part of the world.
- CNOI continues to position itself as a world-class shipbuilding and ship-repair yard. It grew its capacity by over 50% and has already surpassed its own objectives. Additionally, in November 2021, CNOI acquired a 1,500-ton ship-lifting system – the world's largest mobile boat hoist – enabling up to five ships to be dry-docked simultaneously. This increased capacity will enable CNOI to capture new markets for careering and shipbuilding in the years ahead.
- Winners reaped the benefits of its operational efficiency and a sharper focus. It reaffirmed its commitment towards the Planet and People by revealing a new identity and mission – We are all Winners – at the opening of its new outlet at Victoria Urban Terminal. The pilot store, which offers a larger variety of fresh produce and is equipped with energy-saving equipment, will be progressively replicated in all other Winners outlets to reflect its sustainability commitments.
- Among our associates, Alteo delivered a much-improved performance, with revenues up by 46%. Its residential projects were successfully sold out, and serviced land sales also improved at Anahita. With the announcement of its forthcoming Smart City, Anahita Beau Champ, Alteo aims to develop its landbank on the East Coast in an integrated and sustainable way. To further entrench its position as a

INTERVIEW WITH THE GROUP CEO

seasoned property developer, Alteo decided to restructure into two listed companies: Alteo will consolidate its operations in Mauritius, while Miwa Sugar Ltd will focus on developing its East African sugar operations.

SPEAKING OF BEYOND BORDERS, HAS THE GROUP PROGRESSED IN ITS REGIONAL EXPANSION? DOES IBL'S CURRENT STRATEGY STILL SERVE ITS LONG-TERM AMBITIONS?

Seeing our businesses transform and achieve milestones of this scale even through waves of uncertainty, I am confident that the unique expertise and competitive advantages that IBL has developed over the years are built on solid foundations. This is why I am full of optimism for our *Beyond Borders Strategy*, which also gathered steam during the year and will carry the group into the next phase of growth.

Our regional office in Nairobi has a strong team in place to facilitate the development of our network and M&A activities in the region. In June 2022, we reached an agreement to invest in Naivas International, which marks not just one of the major highlights of the year, but also a major milestone in IBL's history. Alongside a consortium of investors, including French and German finance institutions Proparco and DEG respectively, we acquired a combined 40% stake in Kenya's leading supermarket chain in terms of market share and numbers of stores. The acquisition was led to fruition by brilliant M&A, legal and operational teams, making it IBL's highest-value acquisition in terms of figures since our existence.

This investment was considered carefully and we are satisfied that it fulfils our strict investment parameters and objectives. Naivas, which currently has 84 outlets across Kenya, is the fastest-growing supermarket chain in the country thanks to its strong business model and footprint in the mall space. Opportunities for cross-fertilisation are sizable. Our capital, management expertise and governance practices should provide the impetus for Naivas to scale up its network in new cities and regions. For IBL, this is an opportunity to leverage synergies with our logistics, healthcare and renewable energy activities. Much like Winners, Naivas is present in the small towns and villages and is deeply connected to the social DNA of the country, making this acquisition a good strategic fit.

IBL Link is also set to invest in early-stage digital startups in Africa through its new venture capital arm, DotExe Ventures. The fund is still awaiting regulatory approval but is expected to deepen IBL's knowledge of the technological ecosystem and enable us to participate in the extraordinary growth of venture investment in Africa, which stood at USS 4 billion in 2022. We recognise that there is a learning curve to this craft, and we are committed to it.

Our healthcare operations progressed with the launch of Life Together as the group's new life sciences and health brand. Its mission is to provide traditional and alternative healthcare, with an approach rooted in human values and being as close as possible to patients. Building on our existing expertise in clinical testing and the distribution of pharmaceuticals, we increased our stake in La Clinique Bon Pasteur and acquired NovaLAB to strengthen our clinical R&D activities. Other projects are advancing, such as the construction of C+S as part of a Health and Wellness destination on the West Coast and unique home hospitalisation services in the North. The cluster is confident that its strong knowledge base will enable it to capture market share in the Indian Ocean and mainland Africa. Several partnerships are being explored to this end.

Likewise, Renewable Energy is an attractive area of growth. The Seafood cluster's circular business model and Alteo's production of biomass energy are meaningful examples of the expertise IBL has developed in niche areas. To take its ambitions further and tap into highly selective solutions beyond solar power, IBL Energy confirmed the addition of new members to its Board. Energie des Mascareignes, a biogas plant launched in December 2021, will further close the loop on waste emanating from Princes Tuna sites, bringing it closer to its vision to become carbon neutral by 2030. Another project set to revolutionise energy production is the deployment of the world's first airborne wind system on the East Coast of Mauritius, which has the potential to significantly reduce the dependence of fossil fuels in the Indian Ocean.

Once again, I would like to emphasise the importance of having the right talents and expertise as we forge ahead in our regional expansion. With this in mind, I am pleased to announce two new important additions to IBL's Board of Directors: Georges Desvaux and William Egbe, who hail from France and Cameroon respectively. They are recognised global leaders with a wealth of experience in Africa, who will both contribute unique perspectives to our growth plans on the continent.

Alongside this, our Human Capital strategy continued to evolve to support our overarching objectives and regional ambitions. Continuous training, talent management and leadership development through the IBL Performance Academy will be critical in ensuring that our workforce is equipped with the skills, capabilities and growth mindset to succeed both in Mauritius and abroad, and that we nurture a strong pipeline of top-tier leaders to steer the implementation of our strategies. It is worth mentioning that over 209 employees across the group expressed an interest to relocate to East Africa in pursuit of their professional and personal ambitions. Pages 84-88 lay out how IBL's Human Capital function intends to play an instrumental role in facilitating the expatriation of our team members to East Africa.

ON A PERSONAL LEVEL, WHAT IS YOUR BIGGEST TAKEAWAY FROM THE PAST TWO YEARS?

As I look back at IBL's 190-year history, I am struck by how far the group has evolved. I have been fortunate to be part of several historic moments, from when it was still GML, to the amalgamation process, to the nine-cluster strong conglomerate we are today. Yet, the past two years have without a doubt been one of the most difficult, as well as ground-breaking moments in our history. Our innate entrepreneurial and innovative spirit, which was passed on to us by our visionary founders, carried us through the crisis and fuelled transformation at an unprecedented speed and scale. This was apparent in the number and quality of projects that got off the ground, in the increased synergies between entities and clusters, and in the high service levels our businesses were able to maintain.

Innovation continues to be given its rightful importance through numerous workshops conducted at all levels of the group, and through the annual *IBL Excellence & Innovation Award*, which aims to bring out the creativity of our people and reward out-of-the-box thinkers and entrepreneurs. This also applies to how we think about sustainability.

WHAT CAN YOU TELL US ABOUT THE ROLE OF SUSTAINABILITY WITHIN IBL? HOW IS THE GROUP ADDRESSING GROWING ENVIRONMENTAL, GOVERNANCE AND SOCIAL (ESG) CONCERNS?

There has never been a more vital time for businesses to embrace sustainability as a core tenet of their strategy. The pandemic marked new beginnings for IBL in this respect. We took a long and hard look at our sustainability projects and methods — and there are many we are proud of. However, with environmental and social challenges growing ever more urgent, we became aware that the most important undertaking for us at IBL is to leave behind a positive and lasting legacy. Inspired by the recent advances made collectively to brave the pandemic, there is no doubt in my mind that our collaborative spirit can set us apart in building inclusive societies.

The first step was for us to perform a diagnostic of where we are and what has been done across all of our businesses and clusters, and gain an understanding of where we fell short. We began with discussions and workshops with IBL's leadership and senior management teams to identify how to catalyse environmental and social change within their respective businesses, while also expanding economic opportunities.

We then engaged with the *Embedding* project to adopt a methodology that will enable us to develop a roadmap unique to our group, to our core competencies and to our operating environment. It is a scientific and evidence-based approach that will help us understand the depth of our impacts and our social and environmental limits, and accordingly, offer a contextual plan of action, as well as tangible evidence of progress. Each cluster will build an industry-specific roadmap using what we call the Prioritisation Radar, and sustainability champions have been appointed to serve as strong voices to bring our vision to life.

During the *Fresque du Climat* awareness sessions, which took place between November 2021 and May 2022, I announced the first group-level pilot project: Sustainable Mobility. As an employer of over 24,000 people, we consider it our duty to be changemakers, and decarbonising our logistics and the commute of our workforce is one area where we can make a measurable contribution to climate action. We expect to launch the project at the end of 2022, after gathering sufficient data and information to make electric mobility a success.

A similar approach is being adopted by *Fondation Joseph Lagesse* (FJL) through its Research & Evaluation unit, whose aim is to measure, monitor and improve our social impact through data. FJL, which celebrated 15 years of existence in 2021, has served as a valuable partner for several communities in Mauritius. Its areas of focus have been refined to address the most critical issues of our lifetime through literacy, capacity-building and philanthropic programmes. The transformation of Bois Marchand and Chemin Rail is a powerful testimony to FJL's decade-long commitment to reducing poverty sustainably.

We have a long way to go, but I am confident that together, we are moving towards more purposeful and meaningful actions.

DO YOU HAVE A CLOSING MESSAGE FOR IBL'S STAKEHOLDERS?

IBL is entering a new year on a very strong footing, with even more positive prospects on the horizon. The deal concluded with Naivas International is a strong statement of both our willingness and ability to establish a presence in Africa. Our growth plan is to pursue our *Beyond Borders Strategy* across key regions in East Africa as well as neighbouring islands when attractive opportunities arise.

Concurrently, we are keeping a watchful eye on the unfolding war in Ukraine, inflation, benchmark interest rate hikes and shifting market trends, which could present hurdles or additional challenges.

I am grateful to the Board of Directors, under the chairmanship of Jan Boullé, for its guidance and support throughout this year. I would like to express a special note of gratitude to Pierre Guénant, who sadly passed away in September 2022. He was an accomplished entrepreneur who made outstanding contributions to IBL over the course of seven years, as Chair of the Strategic Committee and an inspiring mentor to me. His departure will be deeply felt, and our heartfelt condolences go out to his family.

I would also like to welcome our new Board members, George Desvaux and William Egbe, who will bring solid experience and proven track records in their respective fields. To our strategic partners, thank you for your trust and confidence in us.

I would like to congratulate our employees for valiantly confronting the pandemic and for demonstrating that we are more than capable of rising to the challenges. I feel immensely proud to be leading a group of talented and hard-working people. IBL is committed to investing in all of you and helping you bring out your full potential.

My final message would be that together, we have endured some of the most difficult years in our lifetime. And we have come out stronger. I look forward to another year of striving for excellence together, at every level, in everything that we do, and to continue writing new chapters in our story where we continue creating sustainable value and prosperity.

ARNAUD LAGESSE
Group Chief Executive Officer

OUR OPERATING ENVIRONMENT

2021 was a year of two halves for Mauritius. Despite seeing encouraging signs of rebound mid-year, economic growth was uneven across sectors as travel and sanitary restrictions were still in place. Most businesses and households continued to feel the adverse impacts of the pandemic. In October 2021, however, the long-awaited full reopening of borders accelerated the return to positive economic growth. Although IBL Group registered positive financial results, the operational performance of some of its businesses reflect this mitigated operating context.

MAJOR MACROECONOMIC TRENDS	IBL'S RESPONSE	LINK TO MAIN RISKS
Economic and social fallout from the pandemic (for most of 2021) Short-term		
Globally, the pace of recovery was uneven across countries and sectors, with emerging markets and developing countries experiencing a more pronounced downturn and taking longer to bounce back. Among IBL's key markets, Asia (China and Singapore), the Indian Ocean islands and certain countries in Africa and Europe continued to face pandemic-related challenges. **Locally**, the closure of borders, ongoing sanitary restrictions and other Covid-induced challenges had widespread effects on the economy. The tourism industry, a vital source of foreign currency and generator of employment, remained at a near-standstill until October, with spillover effects on the entire economy: transport, accommodation, wholesale and retail and leisure activities, amongst many others. Construction, manufacturing and financial services were also temporarily put on hold. As an open economy, the island continued to face dramatic supply shocks: bottlenecks have given rise to massive product delays, and therefore, product shortages; maritime freight costs reached historical highs (roughly fivefold); and in March 2022, the Mauritian exchange rate dropped to its lowest position since 2004. The cost of raw materials, food, fuel and commodities is sharply increasing production costs, driving businesses to increase their prices to mitigate the impact on profit margins, and in turn, affecting the purchasing power of Mauritians. On another note, the global crisis unleashed by the pandemic has brought health and wellness into sharper focus, positively impacting Healthcare and Insurance activities.	· The group pursued its diversification into new growth sectors (Renewable Energy, Healthcare, Commercial & Distribution) and new geographies (East Africa and Reunion Island). · Continued strict cost management and balance sheet management. · Implemented group forex conversion policy and hedging strategies. · Accelerated digitalisation for operational efficiency and cost savings. · The Hospitality segment benefitted from its diversified portfolio. Maldives, one of its key markets, was operational during the entire financial year, offsetting the challenges faced in South Africa, Reunion Island and China. · More rigorous stock management to counter the shortage of stocks or overstocking. · Restructured certain entities to enhance their resilience: Alteo Group was separated into two distinct entities, and Confido (reinsurance broking activities) was consolidated as a subsidiary. · Renovated LUX* le Morne and placed heavy emphasis on employee training and service excellence to prepare for the reopening of borders. CFO's report page 128 Interview with the CEO page 54	1 2 4 5 12 13 14
Post-pandemic recovery in the Mauritian economy driven by reopening of borders Short to medium term		
The start of the economic rebound in Mauritius was driven by the full reopening of national borders in October 2021 and subsequent upsurge in tourist arrivals. Real GDP is estimated to have expanded by 4% in 2021 (according to Statistics Mauritius) as most sectors of the economy returned to usual levels of activity, some even exceeding pre-pandemic levels (the manufacturing and construction sectors grew by 10.2% and 25% respectively). Despite certain source markets being closed, tourist arrivals are extremely encouraging. Between January and June 2022, tourist arrivals stood at 376,566 against 3,225 for the same period in 2021. Following improvements made to its AML/CTF framework, Mauritius exited the FATF's list of countries under increased monitoring in October 2021, boosting investor confidence in Mauritius as a leading jurisdiction for cross-border investments. In addition, measures announced in the budget are expected to boost investment. For instance, the introduction of property schemes enabling foreigners to acquire property in partnership, under a shared ownership policy, is expected to attract major investments in real estate and boost the sector. At the time of writing, despite improving prospects for the tourism sector, the outlook remains uncertain after 2022 due to a shaky environment in our feeder markets. Rising energy and food prices, described in more detail below, are likely to adversely affect inter alia the island's growth rate.	· IBL's "Low to Medium Impact" businesses began recovering as early as June 2021, generating very promising operating profits. "Medium to High Impact" (Hospitality, Property and Aviation) businesses, for their part, began their recovery in the first quarter of FY2022. · The Hospitality segment was fully prepared for the reopening of borders, having strengthened the hotels' value propositions to cater to the post-Covid luxury traveller. · Participated in discussions with industry peers to enhance the attractiveness of Mauritius as a destination and ensure the resilience of the sector. · Diversification of revenue sources by tapping into new markets (CNOI, DTOS, Alteo) or geographies (UBP, Ellegeo Re, TLC, Intergraph) or through product innovation (BlueLife, FDM, IBL Energy, PBL). Performance report page 128	2 4 11 12 13 14

OUR OPERATING ENVIRONMENT

MAJOR MACROECONOMIC TRENDS	IBL'S RESPONSE	LINK TO MAIN RISKS
Inflation Medium-term		
Major trends Headline inflation for the twelve months ending June 2022 stood at **8.0%**, compared to 2.2% for the twelve months ending June 2021. While inflation was already on the rise as a result of the pandemic, mainly due to soaring freight costs and increased commodity prices, several other factors compounded the situation. The depreciation of the Mauritian Rupee, high interest rates and the war in Ukraine have intensified inflationary pressures and driven up the cost of energy and commodities. On the demand side, a potential reduced spending power might prompt consumers to prioritise spending on essentials. Looking ahead, annual inflation is expected to rise to 11.4% in 2022 (according to the International Monetary Fund[1]). As an open economy and a net food importer, Mauritius is expecting demand to remain low due to a fear of loss of income and food insecurity. [1] https://www.imf.org/-/media/Files/Publications/CR/2022/English/1MUSEA2022001.ashx	· Mitigation plan outlined at group level to include price adjustments. · Prioritisation of local production, as far as possible. · Winners and BrandActiv/HealthActiv and PBL are making available a wider range of more affordable products to Mauritian consumers. · Pursued digitalisation to drive down costs and enhance operational efficiency (Logidis, Winners). · Continuous monitoring of the macroeconomic context to proactively mitigate adverse impacts on our businesses and growth strategies.	1 2 3 5 8 9 13 15
Sectors of the future shaping the post-Covid world Medium to long term		
ESG megatrends have altered the way markets function, pushing businesses to rethink their approach towards sustainability. ESG practices were already gaining momentum before the pandemic and are now being accelerated such that they are presenting unprecedented opportunities and shaping our future. On the **Environmental** front, the effects of climate change are more glaring than ever. In Mauritius, there has been a demonstrated increase in extreme weather events, with heavy rainfalls increasing the risk of flash floods. Climate change is also likely to worsen the already dwindling fish stocks in the Indian Ocean. The pandemic has accelerated efforts to address these challenges, with a push towards local food production and consumption, as well as clean energies. Several frameworks/policies have been announced in this respect (Renewable Energy Roadmap 2030, Green Transformation Package). **Socially**, the pandemic and rising inflation are both exacerbating the plight of vulnerable populations, pushing them further into poverty. Food insecurity is a major cause for concern. Additionally, the lack of employment opportunities and inactivity during a prolonged period are taking a toll on the psychological wellbeing of all people. **Governance** has increased in strategic importance, particularly as the group expands its activities beyond borders. In parallel, increased digitalisation is bringing heightened risks, requiring enhanced data protection and cybersecurity controls. In July 2022, Moody's downgraded Mauritius's long-term foreign and local currency issuer ratings to Baa3 from Baa2, following its assessment that the quality and effectiveness of institutions and policy making has weakened.	· Climate change has been added in the group's Top 15 risks. Disaster recovery plans have been set up within certain BUs and remote working practices enable employees to continue working without interruption in the event of flash floods. · The group embarked on an embedded Sustainability journey, which defines sector-specific and context-specific ESG considerations within individual BUs, as well as at the cluster level. In 2022, the Logistics cluster and certain individual entities defined a sustainability roadmap and initiated relevant projects. · Acceleration of strategies in Renewable Energy and Healthcare despite the challenging context. IBL is committed to developing these sectors, which have the potential to increase community resilience and drive sustainable development. · Our hotels are already very advanced on their sustainability journey (LUX* and SALT) and are expecting to see increased demand due to their relevant and compelling value proposition. · Introduced an innovative airborne wind energy system (IBL Energy). · The Seafood cluster is progressively closing the loop on its waste-to-value chain, having set up a new biogas plant. As a strong advocate for the sustainability of tuna stocks in the Indian Ocean, it set up the Sustainable Tuna Association in November 2021. · Development of a cybersecurity strategy for the group. · FJL sharpened its focus on areas that will have the most positive social impact. Performance report page 128 Sustainability report page 66 CSR report page 78	6 7 9 10 13

BUSINESS MODEL

Inputs

Human Capital

An inclusive and diverse workforce made up of 24,815 team members across our Corporate Centre and clusters, and their individual and collective knowledge and skills.

Human Capital report page 84

Social & Relationship Capital

Quality and mutually beneficial relationships with our stakeholders, based on trust, transparency and ethics.

Stakeholder Engagement page 96

Natural Capital

The natural resources (energy, water, land) we rely on to carry out our business activities and convert into value-adding products and services.

Sustainability Report page 66

Financial Capital

Our strong capital base and diversified sources of funding to sustain our operations and ensure future growth.

Intellectual Capital

The intangible assets (our brands, reputation, expertise, innovation capacity and IBL Together culture) that give us a competitive advantage and drive sustainable growth.

Manufactured Capital

Our fixed assets, such as property and equipment, digital assets, vehicle fleets and infrastructure that are conform with regulations and world-class standards.

How we create value

Our guiding principles

Our vision

Creating a brighter future for all.

Our mission

As a responsible corporate citizen, we enhance the talents of our people and inspire them to better serve our stakeholders in a trusting, transparent and efficient way.

Our values

- People 1st
- Passion
- Integrity
- Excellence
- Responsibility
- Creativity

Our areas of expertise

- Agro & Energy
- Building & Engineering
- Commercial & Distribution
- Financial Services
- Hospitality & Services
- Life & Technology
- Logistics
- Seafood
- Property
- CSR

Value drivers

A long-term strategic plan grounded in 3 pillars:

- Mauritian heart
- Regional footprint
- International expertise

Three growth enablers that support all clusters:

- Human Capital
- Technology & Transformation
- Sustainability

Governance and oversight

Risk Management

Corporate Centre servicing all 9 clusters

A more detailed overview of our strategy on page 64

Outcomes and value created

Human Capital

Employment creation and retention, the ongoing development of employees equipping them with employable and transferable skills, enhanced wellbeing.

Total training expenditure: Rs 22,855,869 (IBL Ops)
Rs 2.9Bn paid in salaries and benefits

Social & Relationship Capital

Long-term relationships with stakeholders, including a loyal customer base, and socioeconomic development helping to nurture autonomous and empowered communities.

194,717 loyal customers in our Wiiv community

Natural Capital

The promotion of sustainable development through targeted strategies and enhanced environmental stewardship of resources to support their availability in the future.

33 sustainability champions

Financial Capital

Strong balance sheet, returns to shareholders and sustainable financial growth.

Market capitalisation: Rs 35.4
Turnover: Rs 45 Bn

Intellectual Capital

World-class expertise,market-leading and internationally recognised brands, and product reliability.

13 international awards won

Manufactured Capital

Local, regional and international production capacity, well-established retail networks and growing number of digital clients/sales.

100,000 m² of gross letting area

Stakeholders

- Our team members
- Clients and customers
- Communities, NGOs, vulnerable populations and families
- Investors and shareholders
- Government, regulatory and institutional bodies
- Suppliers

STRATEGY

IBL'S STRATEGY

The group's long-term strategy anticipates and responds to shifting market trends and risks, and evolves as new opportunities emerge. During the year, the 'Retail' sector became a new area of focus for the group, alongside the three 'sprints' identified during the previous year. It is this agility and adaptability that allows us to create sustainable, long-term value for all our stakeholders, and that resulted in the group's biggest acquisition in its history, as described in the case study.

Our strategic focus areas

Healthcare	Renewable Energy	Beyond Borders	Retail
In Mauritius and the wider region	In Mauritius and the wider region	Identify opportunities in East Africa for other IBL clusters	In Mauritius and the wider region

Our strategic pillars

Strengthening IBL's Mauritian Core	Regional Expansion Into The Indian Ocean & East Africa	International Expansion Anchored In World-Class Professional Expertise

Underpinned by our growth enablers

Human Capital Strategy	Technology and Transformation	Sustainability Strategy
Page 84	Page 90	Page 66

CASE IN POINT: NAIVAS

Context

Driven by its strong entrepreneurial DNA, IBL Group has, over the years, made strategic investments to grow its business and expand its footprint across Mauritius and beyond. Our ability to anticipate and respond to market trends has resulted in a well-diversified investment portfolio with world-class expertise in nine industries across 18 countries. In 2018, we set up our East African Regional Office in Nairobi, aiming to provide business development and investment advisory services to the group. The regional office has been instrumental in helping us gain a solid on-the-ground understanding of the operating environment and develop our network in the region. After conducting extensive market research, the group identified six key sectors for regional expansion – logistics, healthcare, renewable energy, retail & distribution, industrial property, and financial services – through a strategy it revealed in 2021: *IBL Beyond Borders.*

Our approach

Any international expansion presents challenges and barriers to entry: different time zones, cultural differences, political or social instability, regulatory clearance before operating, a lack of manpower on the ground, having to cater to an unfamiliar audience, amongst many others. This is why IBL considers the following criteria in evaluating potential investment opportunities:

- any investment must be anchored in IBL's areas of expertise;
- it must satisfy IBL's investment objectives and risk vs returns guidelines;
- any strategic partner's core values must be aligned with those of IBL's to be considered a good long-term fit.

Spearheaded by its office in Nairobi and supported by the group M&A and HC teams, IBL carried out a strategic exercise to understand the specificities of the East African market. The data and insights collected enabled us to form an understanding of the habits and preferences of Kenyan consumers, the ease of doing business in the country, the available pool of talent and the competitive landscape.

Naivas Limited, one of the leading retailers in Kenya, stood out as an obvious choice for several reasons. A family-owned business, Naivas' success story is rooted in being within everyone's reach. Before growing into the major modern retail and distribution business it is today, Naivas served small towns across Kenya, aiming to bring a wide range of affordable grocery and general merchandise products to the masses. Of its 84 outlets (as of June 2022) which operate in different formats (hypermarkets, supermarkets or express stores), 46 are located in the greater Nairobi area. It also has an online shopping platform and and loyalty programme with a sizeable customer base. In 2021, it launched a training centre to transform its talents into business leaders.

Similarly, IBL's retail business, Winners, prides itself on its proximity to its customers. Much like Naivas, it started its operations in small towns and villages across Mauritius to have a meaningful impact on people's lives. Today, it is the leading supermarket in the country and a flagship of the Mauritian economy.

IBL's partnership with Naivas marks a major step for the group in its expansion in East Africa, and is the largest transaction in the group's history since our inception in 1830. With proven expertise in the retail sector, we believe IBL has the vision and resourcefulness to accompany and support Naivas into its next phase of growth.

Company overview

Leading operator of a chain of modern supermarkets serving customers across Kenya	60% Gakiwawa Family Investment (Mukuha family) | 40% Mambo Retail Ltd (IBL, Proparco & DEG)	Headquartered in Nairobi	84 outlets in 20 cities (as at June 2022)	8,000 employees (as at June 2022)

SUSTAINABILITY

1. SUSTAINABILITY AWARENESS

2020 was a pivotal moment for sustainable development across the world and within IBL Group. The pandemic eroded much of the environmental and social progress made over the past few decades, plunging millions into extreme poverty. In Mauritius, inflation and food insecurity are growing threats, and the increase in the frequency and intensity of extreme weather events (torrential rains and flash floods) is a stark reminder of our vulnerability as an island.

All of this has called for more ambitious reforms in policies, frameworks and business models, and new ways of doing things. Although sustainability has been a key strategic pillar at IBL since 2018, its implementation, in practice, remained complex and was not delivering the intended impact:

- there was a general lack of clarity and understanding of what sustainability means across the group;
- it failed to take into account the complexities of being a large and diverse group operating in several industries. Different BUs are at various stages of maturity in terms of sustainability — some still at an embryonic stage, and others further along on the journey — making an overarching ESG strategy difficult to implement uniformly;
- sustainability programmes and projects were being carried out in silos, without aligning with the group's broader vision.

We became cognisant of the need for a roadmap with clearly defined priorities at the group level, while also granting different clusters and BUs the freedom to prioritise the issues that are relevant to their own industries and business objectives.

In 2021, IBL made the bold decision to go back to basics and enhance our sustainability awareness: we fundamentally reviewed our methods and ways of working, abandoning the ones that no longer serve us, and taking the time to consult our key stakeholders to broaden our perspectives.

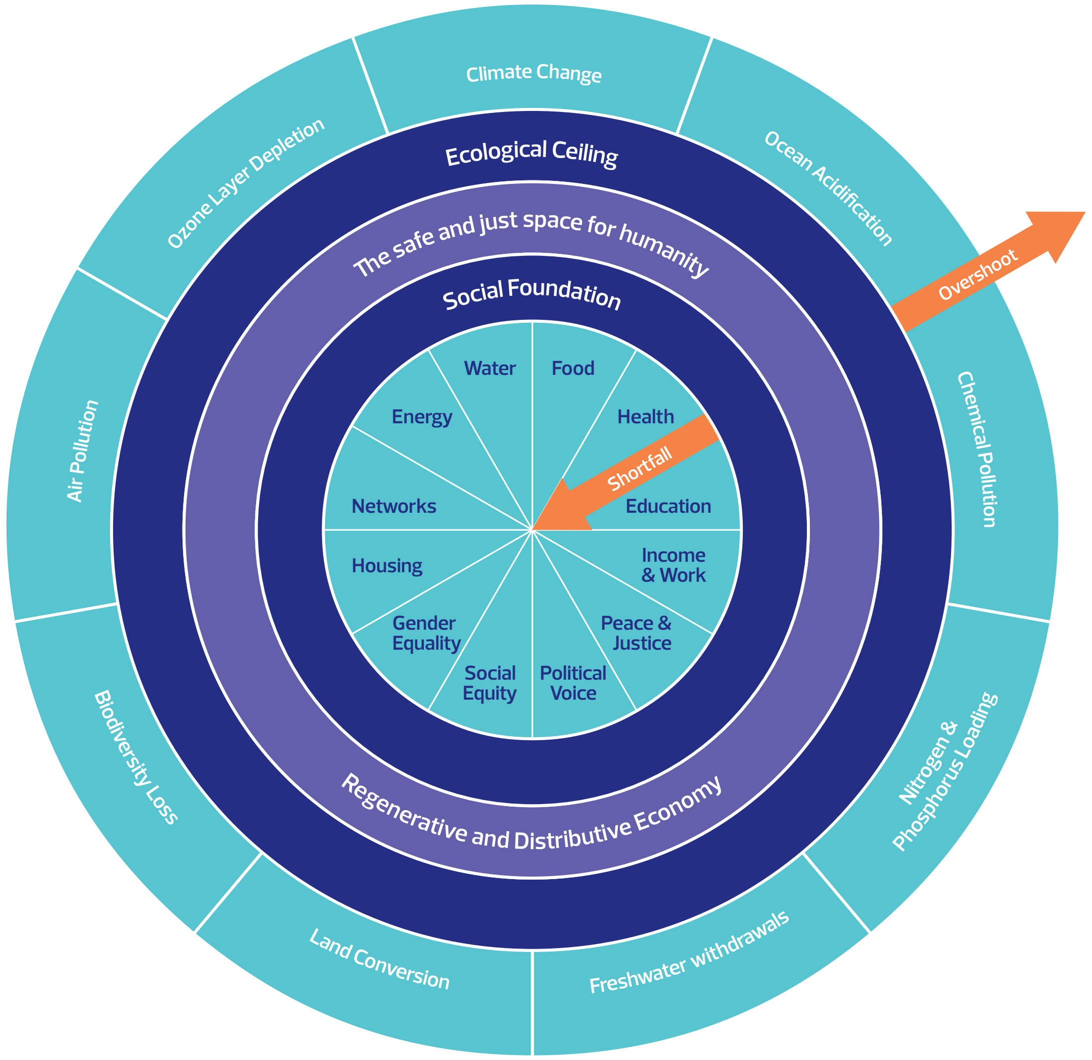
A contextual approach

Our sustainability awareness must be grounded in the ecosystems and social systems in which we operate. For this, we need a contextual approach that takes into account the realities on the ground: the trends, risks and opportunities in our operating context, the social and environmental impacts of our operations, and the resources and capabilities that are available to us. Only then can we build a coherent roadmap that not only aligns with our ambitions, but that also ensures we are operating within the boundaries of our available resources, and balancing economic growth with social and environmental development.

During the year, we continued carrying out research and collecting information in the search for more clarity on the link between our businesses and their impact on our operating ecosystems. The current landscape of ESG frameworks is extremely complex, as illustrated below. With so many international and local guidelines to choose from, and a diverse range of stakeholder interests to address, it is easy lose sight of the bigger picture. IBL has therefore endeavoured to take the time to do things properly so our journey can be more meaningful and impactful. This is why we have not set specific timelines at this stage.

The science	The Doughnut Economics model, coined by Kate Raworth, is a key framework for understanding the sustainability context. It postulates that humanity can only thrive if everyone has access to life's essentials (food, water, healthcare, literacy, etc), without exhausting the natural resources that are available to us, and on which our survival depends. The Doughnut model for Mauritius reveals a snapshot of where the island stands in this respect.
The sustainability frameworks	· The sustainability conceptual frameworks: ESG, Triple Bottom Line, SDGs · The reporting frameworks: GRI, SASB · The management system approach: ISO26000
The local context	The local sustainability initiatives: SigneNatir, SEMSI, BoM Climate Change Centre, the ESG framework mentioned in Budget 2022
IBL's context	While the above frameworks are all impactful and insightful, their relevance and applicability vary across our diversified portfolio of businesses. IBL has therefore chosen a unique in-house, hybrid top-down and bottom-up methodology, which taps into science, data, and our arsenal of competitive strengths and resources.

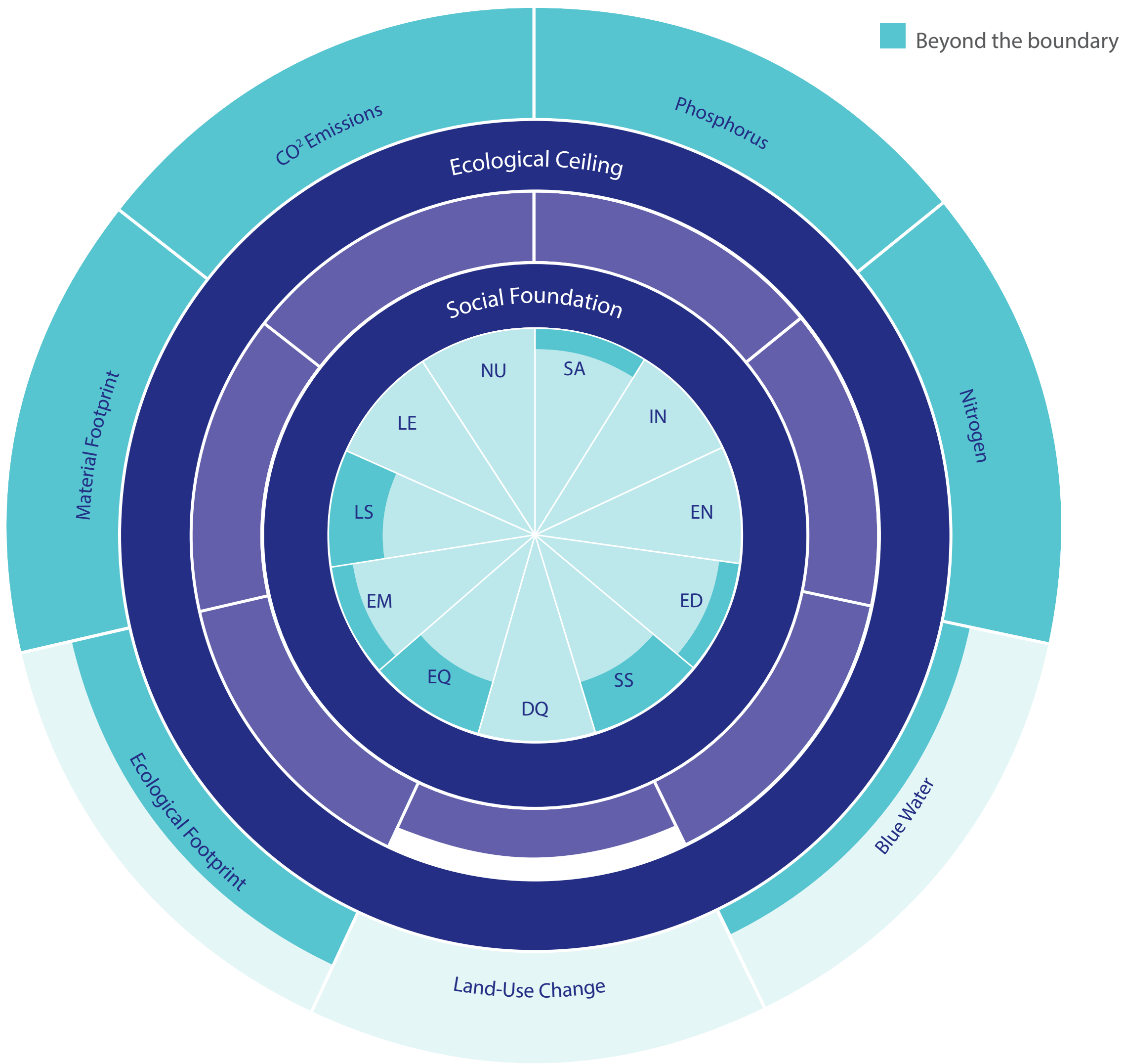
Further reading on The Doughnut Economics: https://earth.org/what-is-doughnut-economics/



The Doughnut model explained

An economy is considered prosperous when all 12 social foundations are met, without overshooting any of the nine ecological ceilings. In other words, using too many resources (an overshoot) leads to catastrophic environmental effects that are harmful to human life; using resources unwisely or incorrectly (a shortfall) means that people are living without access to life's essentials.

SUSTAINABILITY



LS - Life Satisfaction
LE - Healthy Life Expect.
NU - Nutrition
SA - Sanitation
IN - Income
EN - Access to Energy
ED - Education
SS - Social Support
DQ- Democratic Quality
EQ - Equality
EM - Employment

This data is over 10 years old. It can therefore be reasonably assumed that there were either marginal improvements or even sharp declines with regard to some Ecological Ceilings. The shock of the Covid-19 crisis would have also contributed to increased shortfalls in certain dimensions of the Social Foundations.

The Doughnut model for Mauritius (2012) explained

The desired outcome for the doughnut model is for the blue wedges to reach the social foundation ceiling, and for the green wedges to be within the ecological ceiling. Knowing this, we observe that:

- Mauritius is falling short on its social performance and not meeting basic needs in Life Satisfaction, Equality and Social Support.
- Mauritius has largely overshot environmental boundaries in Nitrogen, Phosphorous and CO_2 emissions and Material Footprint, and Ecological Footprint and Blue Water to a lesser extent.

2. SUSTAINABILITY STRATEGY

The Embedding Project

We began the process by engaging with the Embedding Project, a global public-benefit research project that helps companies develop a contextual strategy to embed social and environmental factors across their operations and decision-making. The philosophy of the Embedding Project is aligned with the Doughnut Economics model, and therefore, with IBL's sustainability awareness. Through The Embedding Project, IBL has access to a community of vibrant sustainability practitioners and theoreticians, who offer support in shaping a method that anticipates future regulatory risks, while also adapting international norms to the local context. We also take into consideration inputs from our internal stakeholders, enabling us to adopt an agile approach to project deployment.

The diagram below outlines the steps to take to develop an embedded strategy:

Reflect at all levels through dialogue and workshops	Assess companies and determine the strategic relevant of issues	Develop position statements, policies and targets	Find linkages across our different businesses	Develop projects in line with ESG across BUs	Develop tool to measure and assess our footprint
Proactively scan our operating environment to understand the impact of our activities, gather data to establish a baseline, and identify the issues that are strategically and contextually relevant to IBL's businesses and their spheres of influence.	Using the Prioritisation Radar Tool, we assess the issues described in the previous steps on the basis of their relevance and develop an individual Entity Radar clearly depicting the priority areas where efforts and resources should be focused on.	Articulate a clear and contextually grounded roadmap, develop policies to support it, and set realistic goals with clear timeframes and a clear action plan.	Find overlapping issues between our different BUs in the same cluster, aiming to develop a cluster Radar, which, in turn, will aggregate into a Group Radar.	Develop programmes, projects and initiatives in line with the defined roadmap and in line with IBL's objectives and purpose.	Track, measure and monitor our progress against set objectives accurately and on an ongoing basis.

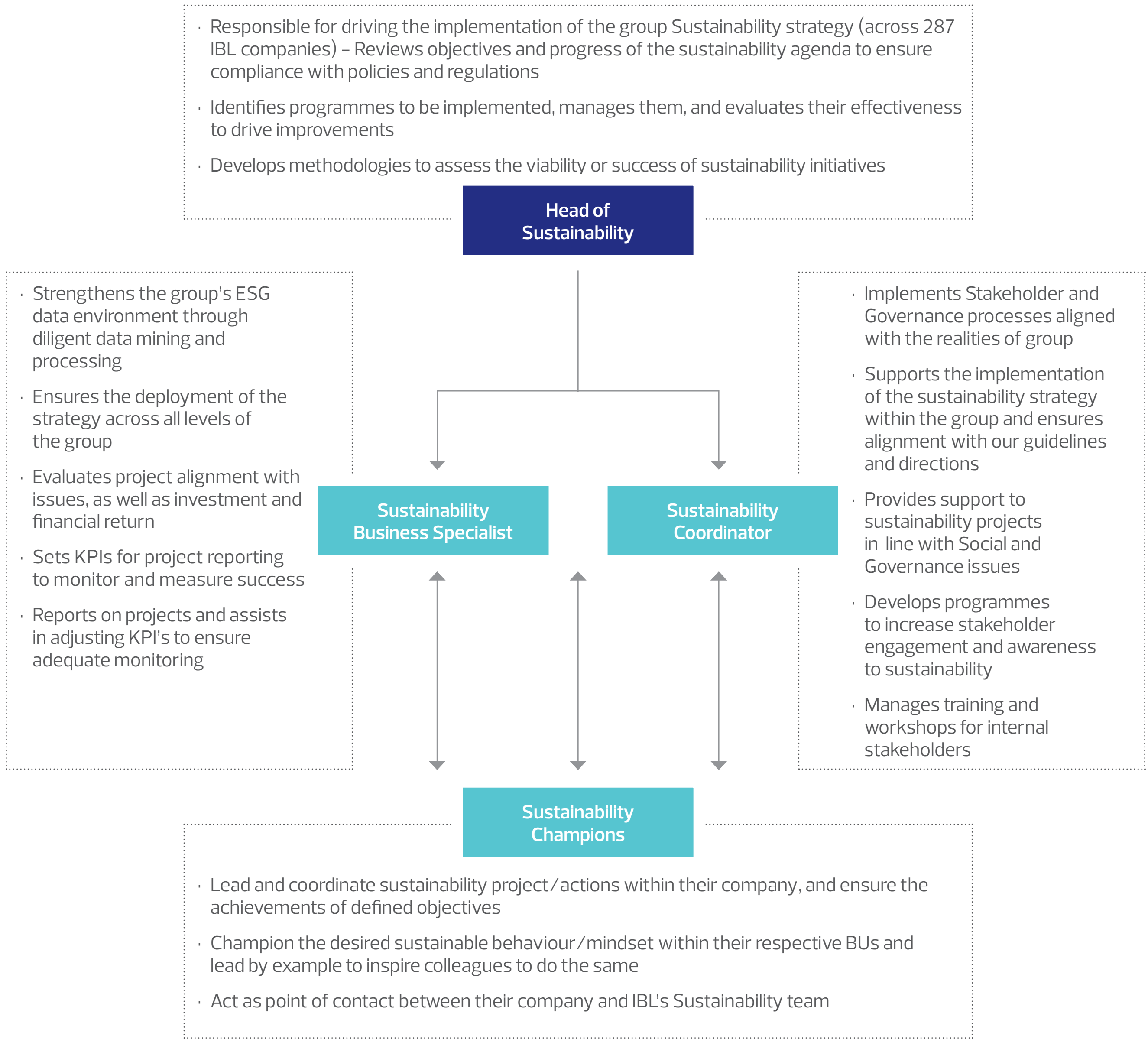
SUSTAINABILITY

2. SUSTAINABILITY STRATEGY (CONT'D)

Linking theory to practice: setting up the right structure

Delivering on our roadmap requires making data-driven decisions and having the right governance structure in place to provide the necessary oversight and support. To this end, several changes were made during the year:

Sustainability went from being a siloed department to **a transversal department** that serves as a **Sustainability Advisory Centre** for the group's companies. Its role is to guide and accompanies our companies on their transition journey. A team of industry professionals works closely together to cover all dimensions of Sustainability.



Linking theory to practice: progress made in FY2022

Reflect at all levels through dialogue and workshops

April 2021
Interviews carried out with Senior leadership team (Group Heads and Chairman) to set the tone from the top.

June 2021 – October 2021
Interviews conducted with 54 IBL executives (CEOs and COOs) across clusters and BUs to gather a baseline understanding of the sustainability opportunities and constraints within their industries, also keeping in mind the Mauritian context and IBL's regional expansion goals.

October 2021
Sustainability champions were appointed within various BUs to serve as change agents and model the right behaviour/mindset.

November 2021 – May 2022
'La Fresque du Climat', an interactive and collaborative workshop, was first conducted with IBL executives, and then with Sustainability champions, to raise awareness on the science behind climate change and its stakes, Understanding is a major step towards accepting the climate emergency and driving action.

Assess companies and determine the strategic relevant of issues

January to April 2022
Following the methodology of the Embedding Project, a cluster Radar was developed for Logistics (page 74) and en Entity Radar was developed for BrandActiv.

April 2022
The first 'Towards Building a Legacy Together' CEO forum took place to share insights on the deployment of the Embedding strategy in the Logistics cluster, and demonstrate how it has translated into action plans and tangible steps to follow.

During this forum, the group CEO announced the first group project: Sustainable Mobility (see case study on page 76).

May 2022
Started the process of aligning Climate Change Risk within IBL's Risk Register with the 'Guideline on Climate-related and Environmental Financial Risk Management released by the Bank of Mauritius in April 2022.

Began the process to develop cluster Radars for Property and Building & Engineering.

Next steps
August 2023
'Towards Building a Legacy Together' forum planned for Sustainability champions

2023-2024
- Continue developing Entity Radars and cluster Radars.
- Continue to roll out sustainability capacity-building for Sustainability champions and Executive teams.

Develop position statements, policies and targets

2024
Aggregate cluster Radars into a group position statement and targets.

Find linkages across our different businesses | **Develop projects in line with ESG across BUs** | **Develop tool to measure and assess our footprint**

This is an ongoing process throughout the deployment of our prioritisation Radar. Various entities and clusters follow these steps in parallel.

SUSTAINABILITY

2. SUSTAINABILITY STRATEGY (CONT'D)

Linking theory to practice: the Embedding process for IBL Group

1 Climate	5 Materials & Waste	Minor or Well-mitigated
2 Rights & Well-being at Work	6 Ecosystems	Moderate or uncertain
3 Rights & Resilience in Communities	7 Water (Fresh & Marine)	Significant
4 Governance & Ethics	8 Pollutants	Critical or systemic

Strategic Relevance to the Business	Operational Impacts	Value Chain Impacts	Our Potential for Broader System Influence

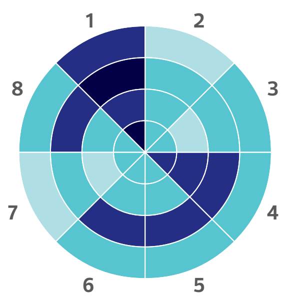
Company Level Radars

(Informs company level priorities, risk, strategy and sustainability goals)

Informs

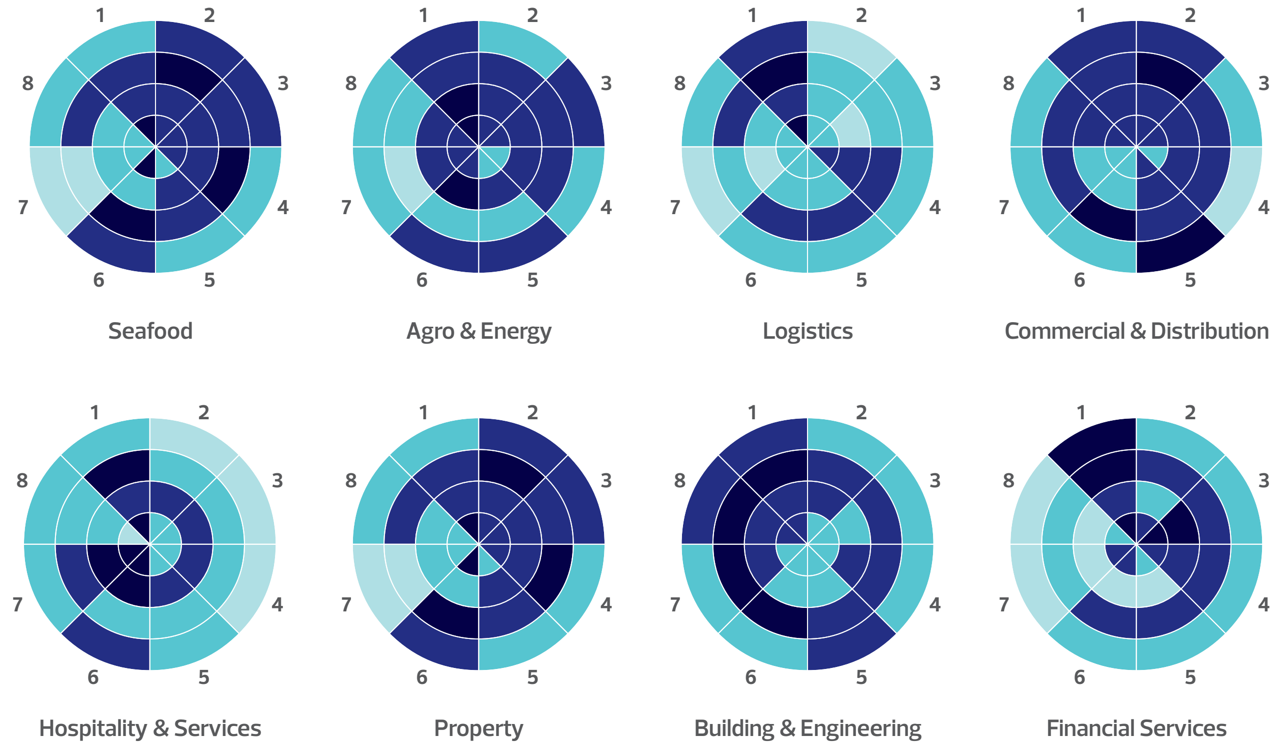
Cluster Level Radars

(Informs cluster level priorities, risk, strategy and sustainability goals)



Logistics Radar

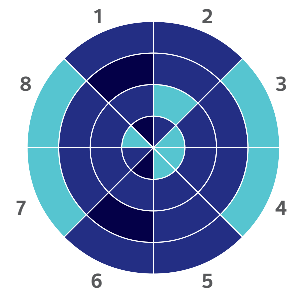
Cluster Level Radars



Informs

Group Level Radar

(Informs IBL Group level priorities, risk, strategy, and sustainability goals)



* In the spirit of transparency, we have chosen to disclose the first iteration of our Radar process for IBL Group. It is important to note that the cluster Radars (with the exception of Logistics) and Group Radar are being re-calibrated in FY 2023.

SUSTAINABILITY

Case in point: The Logistics cluster radar

IBL LOGISTICS

IBL's Sustainability team conducted interviews with leaders in the Cluster across all activities: Logistics, Shipping and Aviation

↓

Initiation of the framework carried out by IBL's Sustainability team and the Embedding Team

↓

Internal assessment of sustainability issues relevant to the Cluster's activities and operating environment, followed by a discussion moderated by the Embedding Team

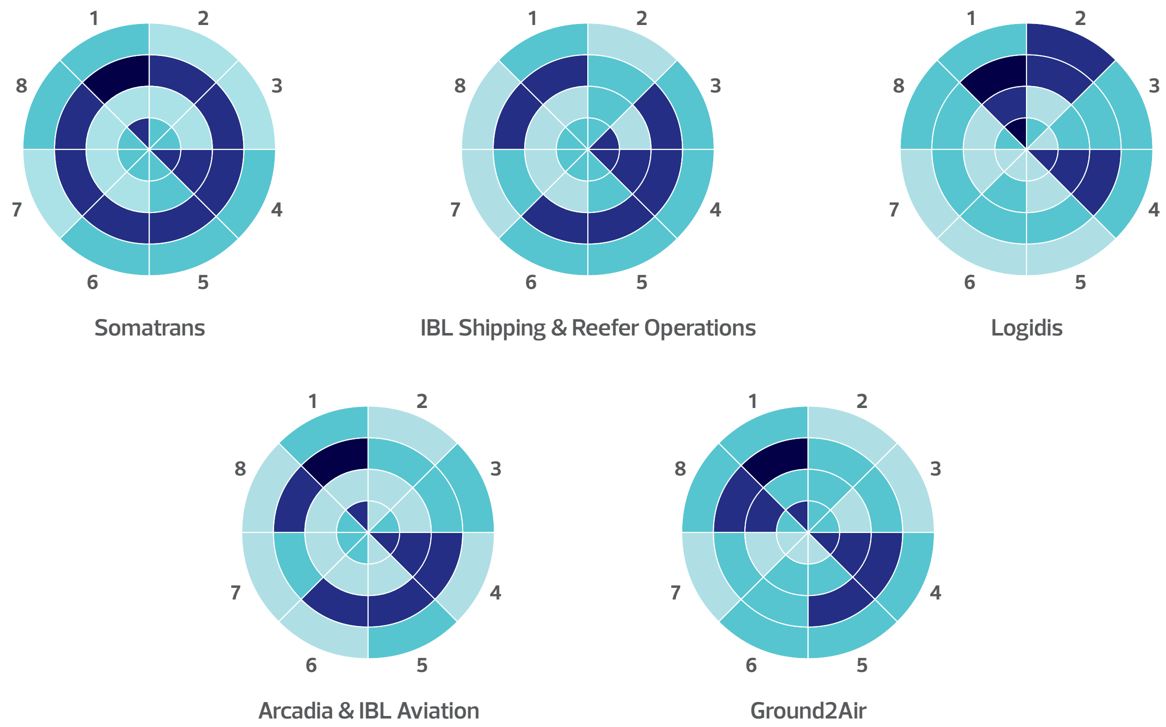
↓

Development of Entity Radars for specific businesses within the cluster (Somatrans, Logidis, IBL Aviation, IBL Shipping)

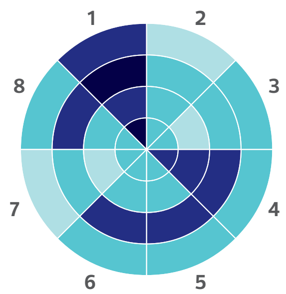
↓

Development of Cluster Radar for Logistics

Case in point: The Logistics cluster radar (Cont'd)



Individual Company Radars aggregated into a cluster Radar



Emerging material themes for the Logistics cluster, distilled into specific subtopics that will inform sustainability projects and initiatives;

ESG overnight of value chain

- Include ESG clauses in supplier and customer contracts

Climate

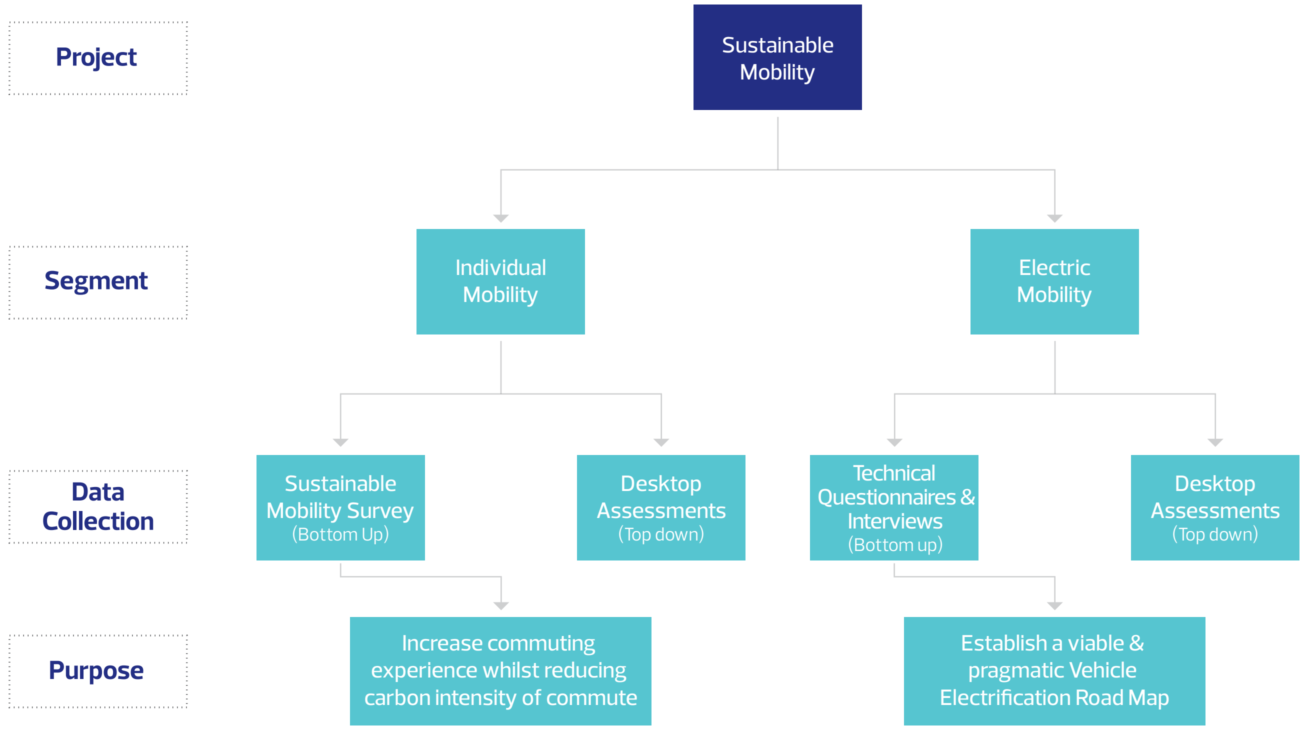
- Decarbonisation of logistics and cooling
- Linear reforestation project in Riche Terre
- The Carbon Offset Project at Somatrans, involving planting trees at Ebony Forest to offset CO_2 emissions from freight activities

Governance and Ethics

- Data Protection & Security
- Have all our businesses certified by the Mauritius Data Protection Office

SUSTAINABILITY

Case in point: Group Sustainable Mobility Project



As an employer of over 24,815 employees across various industries, decarbonisation stood out a business imperative for IBL. This gave rise to the group's flagship project – the Sustainable Mobility Project – whose primary objective is to decarbonise the transport flows for IBL Ltd and enhance the commuting experience of our team members.

Following preliminary consultations with internal stakeholders, several issues were shortlisted with respect to their strategic relevance and potential to create and maintain enterprise value, namely:

- Climate
- Rights and Well-being at Work
- Rights and Resilience in Communities

The success of the project rests upon the implementation of a two-pronged approach:

- firstly, the establishment of a coherent Electric Mobility Framework which directly addresses the **Climate** issue;
- secondly, encouraging our team members to shift towards low-carbon commuting options, thus addressing **Well-being at Work** and **Resilience in Communities**. Once deployed, the Sustainable Mobility Project is expected to have positive spillover effects on other sustainability issues.

To anchor this vision into reality, we designed a Sustainable Mobility Survey to gather data on the commuting patterns of our team members. We opted for an inclusive survey design to cover the various profiles, roles and socioeconomic backgrounds of the individuals within our operational boundary.

The Sustainable Mobility Survey is expected to be finalised by the end of FY2022 and the official launch of the project is planned in early FY 2023. In parallel, desktop assessments are ongoing, and the technical questionnaires and interviews are still in the design phase at the time of writing (Q4 2022).

One on One Sessions	Number
Group Heads	7 (FY2022)
Heads IBL	14
Companies	40
Total	61

Topics	Initiative	KPI	Unit
Capacity Building	La Fresque du Climat	328	training hours
Capacity Building	Senior Leadership Focus Session	244	interview hours
Capacity Building	CEO/COO presence in "Building a Legacy Together" Forum	68	number
Embedding Project	Sustainability Champion Training on Embedding Methodology	11	training hours
Embedding Project	Sustainability Priority Radar completed	6	number
Embedding Project	Sustainability Priority cluster Radar Completion	10%	percentage

Frameworks

United Nations Global Compact

Business Mauritius Sustainable & Inclusive Growth Commission

Women Empowerment Program UN

Nairobi Declaration on Sustainable Insurance by (EllGeo)

CORPORATE SOCIAL RESPONSIBILITY

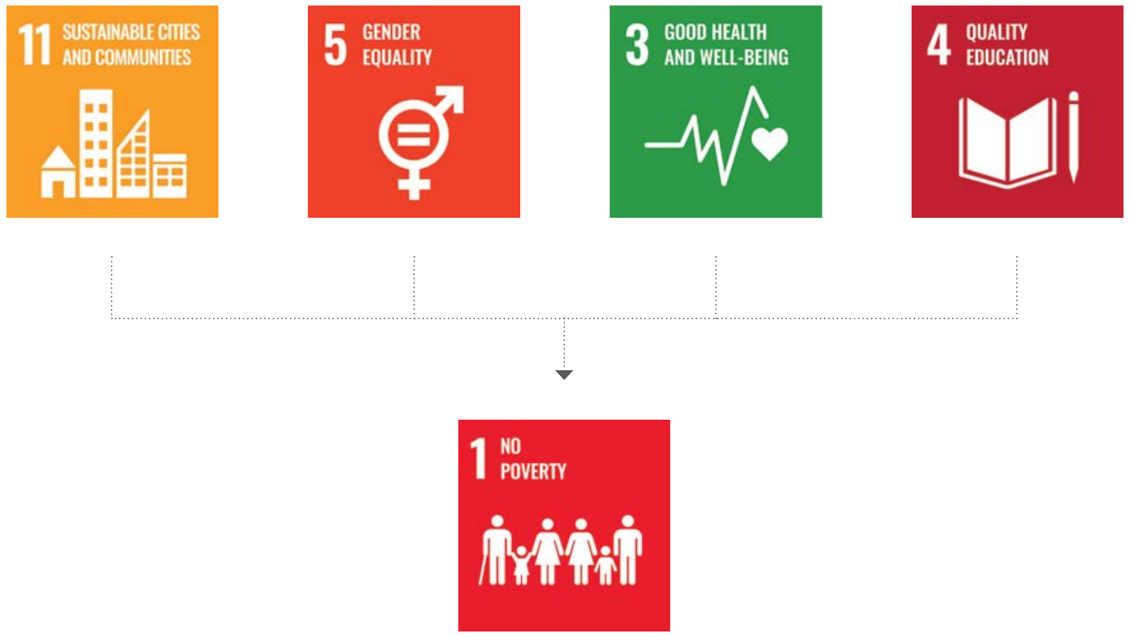
1. PROMOTING SOCIAL INCLUSION THROUGH CSR

Corporate Social Responsibility (CSR) is a key component of IBL's sustainability strategy, with one mission at heart: reduce poverty in a sustainable manner. Over the years, the group has sought to go beyond CSR to deliver impactful social change. It endeavours to drive long-term, positive transformation in poor communities through capacity-building and the promotion of social inclusion.

In 2020, the pandemic worsened the existing gaps in our social fabric, putting those in already vulnerable and disadvantaged situations at even greater risk. Consequences range from loss of jobs and income, to lack of access to food and health, plunging families into deeper poverty and forcing many children out of school. A deep reflection was carried out on how best to optimise our resources to address our target beneficiaries' most dire needs, and which areas to prioritise to have the most meaningful impact towards achieving SDG1 - No Poverty and advancing human dignity.

FJL is addressing the following risk factors to achieve its goal:

- Low literacy and poor academic performances
- Difficulties in accessing healthcare
- Precarious living conditions in vulnerable neighbourhoods
- Inequalities and violence against women



2. STRATEGIC PLAN

Following numerous discussions and deliberations with IBL's entities, a new strategic plan, built on four pillars, was established for the years 2020-2023. The plan builds on the progress made over the past years, and renews our commitment to listening and being attentive to needs. More targeted programmes were developed to tackle the most pressing issues in the wake of the pandemic and empower vulnerable people/families to take control of their own future.

The fight against poverty will not be won overnight, nor through ad-hoc actions. It requires long-term commitment and investment from all stakeholders. It is also critical to have clear indicators in place to assess the communities' needs, and measure the progress and impact being made. We devote a minimum of three years to any community development programme before reevaluating new needs and goals. From experience, we have observed that a ten-year horizon is ideal to deliver lasting social change at the level of the individual, the family and the collective. The transformation of Chemin Rail attests to the benefits of our approach (see case study below).

2018-2020	2020-2023	
Improving access to quality education	Empowerment programme	Aims to empower and build capacity within vulnerable communities. FJL works with different IBL companies to identify their stakeholder needs, connect them with the right partner NGOs, and encourage their active on-the-ground participation.
Enhancing youth's development	Literacy programme	Promoting literacy is crucial to sustainably reducing the education gap, and therefore, reducing poverty. Through this programme, FJL aims to ensure that its beneficiaries (both adults and children) learn to read, write and count.
Promoting social justice and human dignity	Rapid Response programme	FJL's Rapid Response Programme was defined following the pandemic and the sinking of MV Wakashio, whose compounded effects led to significant hardships in Mauritius. This programme allows FJL to respond to emergency situations by providing: · Social support · Psychological support · Food security
Empowering communities	Research & Evaluation unit	Created in 2018, FJL's research unit allows the foundation to assess the impact of its programmes and better target its initiatives. The unit is currently setting up a comprehensive data bank, which will be used to implement evidence-based community support programmes based on international standards.

CORPORATE SOCIAL RESPONSIBILITY

3. KEY PROJECTS AND PROGRESS MADE IN 2021–2022

Empowerment programme

Horizon 2024

Mission: Prevent teenage pregnancy and gender-based violence

Collaborators: European Union Commission

The increasing number of teenage pregnancies (aged 15 to 19) in disadvantaged communities in Mauritius is alarming. For many, childbirth is neither planned, nor wanted, and comes as a result of several factors: lack of information about sexual health and reproductive rights, sexual violence, inadequate access to contraception and health services.

Through this project, FJL aims to support pregnant teenagers, who face stigma and rejection, are more likely to experience violence, and whose limited opportunities for employment perpetuates the cycle of poverty.

Horizon 24 tackles the root causes by raising the girls' awareness of their sexual and reproductive health, and providing them with appropriate educational and psychological services.

Areas of focus in FY2022

- Carried out sexual and reproductive health sessions with 2 groups aged 10-13 and 14-16 years old.
- Held 'Life skills' workshop to help youth build self-confidence and critical life skills

Beneficiaries: 30 adolescents

Neighbourhoods: Bois Marchand

Literacy programme

Literacy programme for adults and children

Mission: Empower adults within IBL clusters and children from vulnerable communities

Collaborators: IBL Operations

The literacy program aims to empower the inhabitants of vulnerable communities to take on a more active role in shaping a better future for their neighbourhoods. FJL works closely with facilitators from villages, offering them the tips, training, guidance and skills they need to become leaders in their own communities. The objective for 2023 is for them to set up and run their own NGO. So far, all facilitators have expressed having the confidence and required skills to set up a local project.

Areas of focus in FY2022:

- Assessed the needs of children aged 8-12 years old and analyse causes of school failure in ZEP schools

Neighbourhoods: Baie du Tombeau, Ste. Croix, Bois Marchand

Rapid Response programme

Address the socioeconomic fallout from the pandemic

Mission: Meet the urgent needs of vulnerable communities by providing food security, social support and psychological support

Collaborators: FJL's social workers and home visitors, Winners, counsellors

Areas of focus in FY2022:

- Provision of food packs and sanitary products to affected families

Beneficiaries: 102 families (380 individuals)

Neighbourhoods: Bois Marchand, Chemin Rail et Amaury, Pont Bruniquel, Batterie Cassée

- Uninterrupted running of pre-primary classes via WhatsApp, led by the Manager and teachers of Sainte-Famille de Bois Marchand kindergartenChildren were kept engaged and entertained via WhatsApp during lockdown to ensure they do not drop out of school. Parents were encouraged to take on a more active role in their children's schooling and education.

Beneficiaries: 37 parents

Neighbourhoods: Bois Marchand and Chemin Rail

- Psychological support and counselling

Beneficiaries: 50 people made 419 calls over the course of eight weeks

Neighbourhoods: Bois Marchand

- Increased vigilance to prevent potential acts of domestic violence, which are likely to occur more frequently with people being confined at home with abusive family members

Research & Evaluation unit

Understand the needs of communities and develop evidence-based projects that prioritises human rights, child protection, access to education and health services, parent support

Mission: Continuously analyse and monitor impact of programmes to determine sustainable ways to reduce poverty

Collaborators: Members of vulnerable communities, government agencies like Statistics Mauritius, National Social Inclusion Foundation, the Mauritius Research and Innovation Council, international organisations like the United Nations Sustainable Development Goals, the World Bank

Areas of focus in FY2022:

Youth sexual and reproductive health

**Details about other projects and initiatives can be found in FJL's progress report (2018-2021):*
https://www.fondationjosephlagesse.org/rapport-dactivites-2022-pdf/

CORPORATE SOCIAL RESPONSIBILITY

4. SPOTLIGHT

Chemin Rail

FJL's approach to community development has yielded positive results, as evidenced by the remarkable transformation of Chemin Rail. Ten years ago, FJL sought to uplift families in Chemin Rail, driven by strong values of respect, empathy, human dignity and attentiveness. What began with a social housing project, aiming to offer decent living conditions to families in the community, evolved into a programme covering several dimensions that IBL deems integral to a better future: youth education, healthcare, family and empowerment. These various long-term projects and initiatives have been progressively set up over the years, and are now run by empowered community members, who no longer require IBL's hands-on intervention. Today, Chemin Rail is autonomous and resilient, and has safely emerged from poverty.

20+ families live in adequate housing, with access to clean water and electricity. They are expected to be proud owners of their own homes after years of social contribution.

An extension of the social housing project, the housekeeping programme offers the beneficiaries of new homes with critical life skills to run their houses: energy saving, gardening, budgeting, communication, conflict resolution, etc.

Five youngsters have benefitted from the Youth Orientation programme. Today, they are pursuing their ambitions in welding, auto mechanics, masonry and caregiving.

A community garden, run by some members of the community, has helped inhabitants move towards food self sufficiency. The garden provides inhabitants of Chemin Rail with certain seasonal fruits and vegetables all year long.

The community's youth have been trained in beekeeping and agriculture to encourage them to acquire the skills to become environmental entrepreneurs.

Psychological support is offered to community members on a bi-weekly basis.

Testimony of of an empowered community member

Jean-Eric Boudeuse,
19 ans, Projet Jeunes 2018-2019

"At first, I was hesitant. But I quickly started appreciating and understanding the importance of the topics and discussions that were being raised during this project. I took several training sessions and today, I am proud to be one of the facilitators for the youth in our neighbourhood, along with Nicolas. Having training programmes for the young adults of Bois Marchand is a way to encourage them to learn some useful skills, think about the future and be more aware of the challenges and dangers around us."

HUMAN CAPITAL

1. EVOLVING OUR HC ROADMAP IN SUPPORT OF THE GROUP STRATEGY

IBL's Human Capital function is a key strategic enabler in the delivery of the group's overarching objectives. Its role is in constant evolution to ensure that the workforce is equipped and empowered with the right skills and capabilities to keep up with changing market forces and support the expansion of the group.

During the year, we reached the completion of our three-year 2019-2022 roadmap, successfully positioning the group to drive growth beyond borders into Eastern Africa, consolidating its regional and international expansion.

In our new three-year plan starting in July 2022, we are pursuing the deployment of our core HC strategy, built around five pillars:

Optimise the group's HC processes across all companies	**Strengthen the group's succession planning, while developing internal talents & attracting new talents**	**Support businesses' transformation and performance through capability-building and leadership development**	**Support IBL's Beyond Borders strategy through the consolidation of our African offices**	**Improve the employee experience and use of data analytics through our fully integrated People Online Platform (POP)**

Our 'People First' core value remains deeply rooted in this new roadmap. We are committed to leading and accompanying our people alongside the group's ongoing digital transformation journey, and more recently, its ambitious Beyond Borders strategy. The personal and professional growth of our people goes hand-in-hand with the growth of IBL's activities. To achieve this, we have initiated the set up of the IBL Performance Academy, with the aim of developing common building blocks of capabilities to enhance the performance of our Companies.

Now two years into the pandemic, a strong Safety & Health culture is part of the work environment at IBL. The entire workforce fully understands and follows expectations around good sanitary and hygiene practices. During the year, however, we strengthened our approach to employee wellbeing, making sure to address all the dimensions of wellness: physical, mental, work-life balance, diversity and inclusion, amongst others.

2. ACHIEVEMENTS IN THE EXECUTION OF OUR STRATEGY IN FY2022

Harmonise the group's human capital approach	· To align our human capital practices across the group, we solicited HC teams in the various BUs, and together, we defined and communicated our 'Back to Essentials' practices. This tool will help us identify the gaps and initiate actions to reduce variances in practices. · A Group HC Digital platform was set up for the sharing of Good Industrial Relations Practices. · A pulse survey was conducted through the eNPS model, with the aim of measuring employee commitment across IBL Operations. · With the extension of retirement age up to 65 years, we achieved the alignment of our Defined Contribution (DC) Pension scheme from 60 to 65 years, and introduced a new scheme that can shift from a Defined Benefit (DB) scheme to a DC scheme with a retirement age up to 65. A study is in progress to set up a new pension scheme to cover employees who are neither under a DC nor a DB scheme. · In the area of Safety & Health, several initiatives were taken to harmonise the Group's approach, including the implementation of the S&H competency framework, which evaluates, trains and increases the level of competency of Safety and Health professionals across IBL Operations.
Strengthen the group's succession planning & recruitment strategies	· After completing the Talent Review for all IBL Operations, we extended it to our subsidiaries to identify their business-critical roles. · Prior to this, we conducted an extensive working session across all companies to onboard CEOs and HC teams on the use of the group's Succession Planning Tools.

Help businesses transform through leadership development	· Over 38 sessions covering 176 hours were delivered to 177 participants within IBL Operations, according to the IBL Leadership Framework, with a focus on the People and Inspiration (self) Leadership capabilities. Refer to the case study below for the results. · The 7th edition of the Management Development Programme (MDP), in partnership with University of Stellenbosch Business School – Executive Development, was held with 30 participants. · A think tank was set up to discuss the creation of the IBL Performance Academy and to agree on the best way forward to ensure it achieves its mission of enhancing the development of our talents, reducing variances across the group and increasing our overall business performance.
Attract top talent	· In addition to our regular job-posting practices, a digital recruitment campaign was initiated in December 2021 to position IBL as an attractive employer by leveraging the power of social media. Vacancy templates were enhanced to have a stronger visual impact and attract younger talents. · The IBL Mobility Framework is currently under the process of validation. Its goal is to encourage IBL employees to move into new roles and explore opportunities within other IBL companies.
Digitalise processes	· Thanks to the hard work and dedication of our teams, 5,115 employees across 41 entities of the group were successfully onboarded in Phase 1 of the People Online Platform (HR, Payroll, Time and Attendance, and Leave Management modules). · We have begun the initiation of Phase 2 of the talent modules (Recruiting, Onboarding, Learning, Performance Management, Succession Planning, Dashboards) within pilot companies of IBL Operations.

HUMAN CAPITAL

3. OUR NEW THREE-YEAR ROADMAP FROM FY 2023 TO FY 2025

Following the completion of our three-year plan, we are now embarking on the delivery of the newly defined strategic pillars from 2023 to 2025, with a renewed commitment to uphold best HC practices so we can attract, develop and retain our talents.

Optimise the group's human capital processes across all companies	· As we consolidate our internal capabilities in each area of the employee lifecycle (covering the attraction of the employee until their exit from the company), our aim is to work towards transactional excellence at the operational level through the harmonisation of practices. · In the coming year, we will be launching a Group Safety & Health Manual, whose purpose is to raise awareness amongst employees of IBL about Occupational Safety and Health issues, environmental challenges and other key topics. It also gives our people access to vital information relating to the responsibilities of employers and employees, procedures, and important contact numbers.
Strengthen the group's succession planning & recruitment strategies	· Together with our companies, we will be working on Succession Planning and Retention strategies for their defined business-critical roles. · Through the IBL Mobility Framework, we aim to promote the internal mobility of talents, encouraging them to explore new projects and roles within the group.
Support businesses' transformation and performance through capability-building and leadership development	· We have begun setting up the IBL Performance Academy, whose ambition is twofold: uplift the capabilities of our people to enhance the overall business performance and close variance gaps across functions and levels; and reinforce our IBL culture, mindset, values and ways of doing business across all BUs. One of the Academy's focal points is building capabilities at a grassroots level. · The Academy will be deployed in two phases: – Set up for IBL Operations on a pilot basis – Extension of Academy facilities to other companies of the group.
Support our IBL Beyond Borders strategy through the consolidation of our African offices	· Set up our international expatriation process for IBL talents as the group's Beyond Borders strategy progresses. · Our role is also to accompany businesses in their expansion, while understanding the key challenges of employment in Africa.
Improve the employee experience and use of data analytics through our fully integrated People Online Platform (POP)	· Continue rolling out the POP project and deploy the various talent modules at BU level (Phase 2). · Once we have completed the implementation of the talent modules, the next step will be to optimise the POP with a focus on People Analytics for strategic decisions while continuously enhancing the employee experience.

CASE STUDY 1

IBL Beyond Borders

Introduction

IBL's Beyond Borders strategy seeks to expand the group's activities into Eastern Africa, consolidating its presence regionally. Alongside this objective, IBL has also set its mark on gradually developing into an international company with high-potential talents, aiming to successfully deploy them in strategic positions within the group to drive and sustain IBL's growth.

Challenge

IBL has confirmed its strong ambitions for international growth with the acquisition of shares in several African companies, including Naivas International. This aspiring move, however, entails the familiarisation and deep understanding of new markets and new practices.

Solution

The group's Human Capital function is playing an important role as a strategic partner in IBL's Beyond Borders strategy. We began by conducting an internal survey to gauge our employees' interest to participate in IBL's Beyond Borders adventure. The response was extremely favourable and demonstrated our employees' ambitions for international exposure and career progression. Alongside this, we actively participated in the due diligence process in Kenya to acquire potential businesses.

Following comprehensive groundwork, HC was invited to assist with all the initiatives relating to the setting up of new IBL offices in Nairobi, starting with the initiation of contact with regional partners and service providers to facilitate the expatriation of our key talents in East Africa. We successfully recruited a COO in October 2021 to strengthen the existing IBL African team. After accompanying him during almost one year of immersion into the group's vision, mission, values, strategies and IBL Together culture, the COO is now equipped to take the Beyond Borders strategy forward.

Benefit

On-the-ground research and thorough due diligence were key in understanding the realities in our target markets and the complexities of new jurisdictions. In-person contact with potential partners is also vital in establishing strong relationships in the future. We now have a better grasp on the local business culture and are ready to define a new line of skills and competencies required for IBL employees to successfully relocate to East Africa and deliver on the regional strategy.

Result

209 interested to move to East Africa within 5 months and stay on a four-year contract on average.

HUMAN CAPITAL

CASE STUDY 2

Leadership Framework – Inspirational Leader

Introduction

A strong values-driven leadership team propels the organisation and its people forward. Today, more than ever, the volatile and uncertain business environment requires a new type of leadership: agile, determined, bold, creative and above all, having the ability to inspire others to rise to challenges and achieve organisational business objectives.

IBL's Leadership Framework was coined in 2018 to infuse novelty in our group leadership's capabilities. The desired leadership capabilities, competencies and behaviours of an IBL leader were clearly identified, and in FY2021, our BUs embarked on their SPICE (Strategic, People, Inspiration, Customer Centric and Execution) leadership journey.

Challenges

The group's biggest challenge is to ensure that it has a steady, reliable pipeline of potential leaders, with the right skills and attitudes to smoothly take over leadership positions and keep the organisation running at an optimal level.

As a large conglomerate with diverse activities across industries, IBL faced several challenges in implementing the Leadership Framework:

- Aligning the Framework with IBL's vision, while also respecting the specificities and challenges of every business.
- Inculcate a strong culture of self-awareness and discipline as a Leader, before being able to develop talent in others.
- Sustain and extend learning and growth outside learning sessions.
- How to measure the impact of these sessions on the work environment within Operations.

Solution

The Leadership sessions were adapted to fulfil the needs of every participating company. The content of the sessions and team activities was tailor-made and designed according to the dynamics of the team members and the challenges faced by their respective companies.

All sessions ended on an agreed takeaway, with Self Leadership and People Leadership capabilities being prioritised. During the sessions, leaders were trained to develop self-awareness and gain an understanding of the dynamics of their team. They were empowered to pay closer attention to their daily healthy habits, such as regular exercise and balanced nutrition.

Action plans were set up accordingly, requiring a course of action on three fronts: personal, team and company level. All these actions are encapsulated in a Leadership Passport, in which every participant is encouraged to apply and record their learnings through three perspectives: namely Formal Education Training, On-the-Job Training and Life Experiences projects.

Benefit

Change that begins with the individual has a positive ripple effect among colleagues. A self-aware leader who walks the talk inspires others to follow suit. IBL's concept of 'Inspiration Leader' is deeply rooted in this notion.

Through personal purpose, self-discipline, personal humility, professional will and by living his/her values, an inspirational leader creates a high-trust and high-performance culture, and a strong sense of belonging, that can take the company to new heights.

Following the sessions, our leaders reported being more mindful of the power of their thoughts and beliefs, and how to get the best out of themselves, and out of their team.

Results

177 leaders/employees trained in the Inspirational Leader workshop over 13 sessions and 63 hours

92% found the workshop met their expectations

90% experienced an increase in knowledge from the workshop

TECHNOLOGY & TRANSFORMATION

1. MAKING DIGITAL A STRATEGIC GROWTH ENABLER

IBL Group views digital transformation as a critical growth enabler and a key driver of our strategy. In 2019, the group embarked on an ambitious digital transformation roadmap, which we continue to finetune and adjust based on evolving market conditions and business opportunities. The past two years, however, have leapfrogged many digital initiatives as both employees' and customers' expectations around convenience and safety have increased dramatically. To address these expectations and remain competitive in this business environment, new strategies, practices and mindsets are required – and for this, technology continues to be a primary catalyst.

Prior to the pandemic, some of IBL's businesses were already digitally advanced. During the crisis, they seized opportunities to scale up their investments in technology and harness it as a source of competitive advantage; other less prepared businesses had to recalibrate their approach, shifting digital transformation from a supportive role to a more strategic role; others, yet, embarked on a digital journey to be able to serve their customers and ensure their survival. Driving these digital transformation initiatives, both at the group level and within individual Business Units, is the Technology & Transformation (TnT) team. Its role is to accompany various BUs in their transformation journey: it first assesses their technology maturity and gains an understanding of their business objectives; it then helps them define a clear, well-thought-out digital roadmap that serves those objectives, before advising them on the right infrastructure, capabilities and success metrics required to drive their transformation. In pursuit of this goal, the TnT team accompanies them along the following dimensions:

	What it entails	Desired outcome
IT Shared Services	**Vendor Management & Procurement** · Onboarding and evaluation of technology partners · Secure best pricing and value added services based on committed volumes through group deals · Manage IBL Friendly Vendor List **Infrastructure & Office 365** · Centre of excellence for Microsoft Suites and group Enterprise products · Assist small and new BUs to set up and manage their IT infrastructure and enterprise software	· Cost savings through economies of scale · Adherence to IBL standards and best practices on infrastructure and enterprise tools · Compliance across the group for Enterprise Products
Project & Change Management	**Project Management** · Project initiation and gathering of requirements · RFP process · Proof of concepts · Identification, selection and management of vendor · Prototyping · Scope & budget control · User Acceptance Testing · Handing over to Operations **Change Management** · Identify Change Agent & champions · Understand 'As-Is' and the need for change · Align stakeholders · Define the vision for change · Project communication · Assess required organisational changes · Training and upskilling · Regular monitoring of engagement levels · Celebrate successes and share lessons learned	· The implemented technology achieves business objectives, and is implemented within the expected timeframe and budget · Strong digital culture in which users embrace changes brought about by technology

	What it entails	Desired outcome
Enterprise Architecture	· Guide IT and business leaders in the definition of their future enterprise architecture · Shape solutions of end-to-end technology projects · Drive adoption of software development best practices by service providers · Research and evaluation of emerging technology, industry and market trends	· Optimisation of existing technology · Achievement of business outcomes with the right technology
Business Process Transformation	· Identify opportunities for digital transformation · Develop best practices for business process modelling in view of their digitalisation · Assist BUs in the definition of their digital roadmap	· Enhanced operational efficiency through new operating models · Enhanced customer satisfaction and experience
Data Analytics	· Guide leadership teams on data analytics initiatives · Drive implementation of data architectures, data extraction, transformation and visualisation tools · Establish data governance best practices · Assist operational/ business teams in enhancing and maintaining data quality	· Optimised operations, improved efficiency and an enhanced customer experience through data-driven insights
Cybersecurity	· Define group cybersecurity standards & governance · Lead management and resolution of incidents · Conduct Vulnerability Assessment exercises · Onboard and manage relationships with key cybersecurity service providers · Advise BUs on security tools and service providers · Drive cybersecurity awareness across the group	· Protection of customer and company digital data to prevent financial or reputational damage to the group

In 2021, digital transformation took on greater importance in the context of the group's ambitions to move beyond Mauritius' borders. As different BUs look to expand their activities regionally and/or internationally, they require scalable digital solutions that can support the increased complexity, easily integrate with other tools, enable distributed teams to collaborate efficiently, meet various regulatory requirements and mitigate cybersecurity risks, all while ensuring a seamless digital experience across countries and channels. This is no easy task, and it is an ongoing journey that requires continuous transformation to reap the benefits of existing and future technologies.

To achieve this, we pursued our endeavours to embed digital readiness into the group-wide culture by:

- Setting up a governance structure that supports the group's digital agenda;
- Increasing the awareness of our leaders so they champion the digital-first mindset and set a clear tone from the top;
- Investing in the right technical skills and in change management;
- Reinforcing our cybersecurity posture and strategy described later in this section.

Please refer to the section "Information, Information Technology and Information Security Governance" on page 178 to read about how a clear governance framework and structure sets the basis for successful digital transformation.

TECHNOLOGY & TRANSFORMATION

2. PROGRESS ON OUR DIGITAL TRANSFORMATION ROADMAP

1. Develop new value propositions and extend our offers across digital channels to generate revenue	2. Achieve operational excellence by digitally transforming our processes and our ways of working	3. Disseminate and embed a digital culture to strengthen capabilities and collaboration, and attract talent
Achievements in 2021-2022		
· Soft launch of Mo'KaBa, BrandActiv's integrated consumer engagement mobile application. Its objective is to ignite the customer experience through an immersion in the brand universe of all the different products marketed and distributed by BrandActiv. Consumers have access to recipes, tips and tricks on the mobile platform, are able to provide instant feedback on products, and can connect with BrandActiv at any time. · As part of Phoenix Bev's digital transformation journey, the online and home delivery shop shop.phoenixbev.mu was launched in October 2021. Beyond its original mission to mitigate business continuity challenges, this shop has quickly become a convenience outlet for the delivery of bulk and premium products. The site offers a range of exclusive products delivered within 48 hours all around the island. · Pursued the development of Espace Maison's e-commerce platform, with the goal of boosting conversion rates and improving the customer experience. · Logidis deployed an innovative Passenger Management System (see case study below)	· Implemented Payroll and Time & Attendance modules across IBL Operations. Its many features, including timesheets and leave management, have significantly simplified routine tasks and reduced inaccuracies. · Completed the deployment and increased adoption of METI, an integrated solution for retail, across Winners' outlets, leading to significant improvements in stock and profitability management · Enhanced reporting and data analytics at HealthActiv and BrandActiv with the recruitment of a dedicated data team · Reporting optimisation at Winners · Successfully upgraded the core system at DTOS, leading to significant cost and time efficiencies. (see case study below)	· Awareness sessions are conducted at different management levels to ensure that the sharing of information and best practices is cascaded down the management chain: - Bi-monthly sessions with COOs - Bi-monthly sessions between TnT team and leadership teams in Operations - Bi-monthly sessions with IT leaders · Conducted change management training for 40 participants across the group · Carried out training sessions for 10 participants around a data-driven culture and data strategy, providing participants with a unique set of tools based on design thinking. The tools selected are used by global companies in hospitality, market research, media, logistics and utilities.
Priorities for 2022-2023		
· Enhance BrandActiv's MoKaba mobile application with personalised notifications to keep users updated about current and future incentive programmes and regular lucky draws. · With the growing success of Phoenix Bev's online and home delivery shop, Phase 2 is planned for December 2022. This will entail innovative offers, such as the provision of a dedicated team and rental material for home events. · Besides the app, Espace Maison is set to launch a game-changing platform for freelance building and construction professionals. The platform will build upon data obtained from Espace Maison's loyalty programme, and connect sole traders/freelancers directly with businesses and individuals looking for skilled services.	· Deploy other modules of the People Online Platform (POP) across BUs: performance management, career development and onboarding. · Continue developing our data analytics capabilities. We aim to conduct proofs of concept on more powerful data analytics platforms to identify the right solution for different BUs. The goal is to leverage our data in a way that allows us to gain relevant insights from historical patterns and make more accurate forecasts going forward. · Continue the replacement of core systems within the corporate office, Marine Bio Technology, HealthActiv, CMH, Eagle Insurance and CNOI.	· Conduct agile training for business leaders and project teams to ensure a structured framework is in place for iterative software projects, such as data analytics and custom development. The first batch of training is scheduled for August 2022. · Pursue in-depth training on data design thinking with the objective of creating user-centered data strategies and analytics.

3. A ROBUST CYBERSECURITY STRATEGY

While digital transformation is instrumental to the success of a business in a competitive environment, it can also render an organisation more vulnerable to security threats and data breaches. If not managed properly, these threats have the potential to disrupt business operations and cause irreversible reputational and legal damage. Against this backdrop, the group has proactively laid out a robust cybersecurity strategy, which is also aligned with its overarching business strategy. Given the diversity of the group's activities, the strategy aims to strike a careful balance between being generic enough to apply to all businesses, while also being focused and practical enough to enhance their security posture.

The following guiding principles were defined to govern the cybersecurity strategy:

Embed Security Into The Organisation

Implement Relevant Industry Standards & Best Practices

Build And Leverage Internal Resources

Any Outsourcing Is To Support Internal Teams

OVERALL STRATEGY

IBL's cybersecurity strategy is built on the following three principles:

- To set clear security priorities: **WHAT** do we need to do?
- To develop adequate security capabilities: **WHO** will be doing it?
- To focus on core security activities to secure the organisation: **HOW** are we going to do it?

Clear Security Priorities	What	· Ensure the organisation is adequately secured · Establish the right governance · Implement a consistent set of policies and processes · Provide the right visibility to the Board
Adequate Security Capabilities	Who	· Optimise existing internal areas of expertise · Internal capability-building · Recruitment planning · Key strategic external partners
Focused Security Activities	How	· **Integration:** Integrate cybersecurity within the organisation · **Detection:** Detect cyber threats rapidly and accurately · **Prevention:** Prevent cyber threats before they become incidents · **Response:** Respond to cyber incidents with agility and efficiency

TECHNOLOGY & TRANSFORMATION

4. CASE STUDIES

Leadership Framework – Inspirational Leader

DTOS embarked on a digital transformation journey in 2018 with the ambition to achieve better business solutions and expand its global reach.

To this end, it appointed a consulting firm to assist with the assessment, selection, implementation and support of a new Integrated Information System, whose aim was to streamline internal processes, which, in turn, was expected to translate into an improved customer experience and enhanced operational efficiency.

DTOS faced several challenges with the previous system: it was unable to leverage the full potential of the system to reach its desired digital maturity and achieve its strategic goals. There was also a crucial need to enhance the information flow between collaborators to increase service levels and deliver a better customer experience.

Project Rainbow was created and set in motion in April 2019. After announcing a request for proposal, DTOS selected a new core system named NavOne, a world-leading enterprise-wide system designed with integration at the forefront. It connects all IT systems, applications and processes onto one simple-to-use and unified platform. NavOne is compatible with most other software and can be continuously scaled up as business activities expand over time.

Since Project Rainbow was launched, DTOS' employees have benefitted significantly from being onboarded on one integrated system: information is centralised and available to everyone across DTOS globally, at any time, from anywhere; all departments are now aligned around clear standardised processes. With better visibility over critical client data, the teams are able to extract valuable insights and offer a more personalised customer service. In addition, timesheet management is optimised, resulting in improved productivity and higher employee engagement levels. Compliance monitoring is built in, ensuring that DTOS is meeting its regulatory mandates. All of this have given rise to notable cost reductions, greater operational efficiency, enhanced security, and a faster and far superior customer service. Thanks to Project Rainbow, DTOS is better prepared to meet its business objectives and compete in today's digital world.

Results

Monthly gain of 5 man-days for the processing of timesheet

Shorter lead time for the generation of invoices

Enhanced risk assessment & better ongoing monitoring

Dashboard & BI capabilities

Automatic ongoing screening of our clients

Logidis: Passenger Management System

Logidis offers Passenger services amongst its Transport and Mobility services. It puts a fleet of approximately 500 minibuses, coaches and buses at the disposal of businesses, catering to the transport of their employees from one specific pick-up point to an agreed destination. Logidis' people mobility business has been growing steadily since 2005. Today, it manages the transport of no less than 12,000 daily passengers.

Until recently, the transport planning and routing of these 12,000 passengers was carried out manually: invoices were issued in physical copies, and the driver and passenger were made to sign hard copy vouchers. These manual entries were leading to erroneous invoices, a tremendous amount of time spent on billing, disputes over billing, delays in trips and overall inefficient transport management. To manage the growing volume of passengers, and address the needs of all stakeholders involved, a more efficient system was required.

Logidis collaborated with UK solutions provider to develop a Passenger Management System that would significantly improve route planning, vehicle tracking and invoicing. Feedback was collected from the various stakeholders to gain insights into their specific pain points, and the platform was built taking all their inputs into account. Launched in 2022, Logidis' Passenger Management System facilitates the seamless planning, tracking and managing of routes by centralising information on one single platform, and communicating booking information to all parties automatically.

Benefits are reaped by all stakeholders:
Logidis: real-time visibility into the vehicle's GPS location and driver performance, leading to optimised routing and improved efficiency of its fleet

Corporate customer: a self-service portal providing an overview of all trips made, invoices history and charges applied. Additionally, routes are built automatically, and in accordance with the customer's requirements

Driver: a mobile app to view the itinerary in real time and communicate directly with passengers and the internal operator

Passenger: a mobile app that provides live GPS location of the vehicle, arrival/departure times, delays and billing information in real time.

Since the implementation of the system, payments have been more timely, trip planning has shortened, and there is increased trust between the customer, passenger and driver.

Results

Greater operational efficiency: trip planning effort reduced by 65% and billing effort reduced by 50%

Increased business growth, expected to translate into a 5% increase in revenues

Lateness reduced by 50%

Reduced carbon footprint owing to optimised routes

STAKEHOLDER ENGAGEMENT

At IBL, quality relationships with all our stakeholders are central to who we are and to our success. We consider a stakeholder to be any internal or external individual, group or entity who may impact or be impacted by the outcomes of our actions. We engage in constructive dialogue with them to understand their different perspectives and gain insights into changing market trends. Their input guides the group's decision-making and helps us seek opportunities that create shared value.

Our key stakeholders	Why we engage with them	Key expectations	Our response in FY2022	Engagement channel
IBL team members	Our people possess the skills, experience and knowledge that allow us to meet customer expectations, deliver on our strategy, and support our social engagement.	· A fair, diverse and inclusive work environment · Mental health support and wellbeing at work · Job security · Opportunities for personal development, career progression and mobility · Involvement in decisions regarding the group's activities, strategy and sustainability · Fair remuneration, performance-based rewards and recognition · Ethical labour practices · Environmental and social commitments · To be active participants in social support activities	· Continued implementation of health and safety best practices · Opportunities for remote working (wherever applicable) and flexible work arrangements for a better work-life balance · Wellness activities (including a Wellness Week), medical screenings and access to a psychologist · Continued commitment to providing an excellent employee experience · Offered internal and regional mobility opportunities · Carried out 'La Fresque du Climat' with sustainability champions · Through the 'IBL On the Move' annual event, funds were raised and the public mobilised to support the Centre d'Amitié in Bambous · Group companies and their employees volunteered in the Health project in Bois Marchand, and helped to paint the pre-primary school Human capital page 84 Sustainability page 66	· IBL Together · People Online Platform · Corporate events and team building events · Online collaborative platforms (Teams, WhatsApp, etc) · Fundraising through IBL On The Move · Fondation Joseph Lagesse (donations)
Clients and customers	Our clients and customers purchase the products and services that grow our brands and drive revenue growth.	· Innovative and high-quality products and services that reflect changing customer needs · Enhanced safety and health protocols · Excellent client service, including prompt issue resolution · Secure and convenient digital offerings that protect client privacy and data · Transparent communication regarding group activities and social involvement and decisions that affect clients · Loyalty rewards · Responsible environmental and social practices	· Ongoing precautionary measures to safeguard the health and safety of our clients · Improvement of existing e-commerce models and mobile apps to cater to increased demand for digital services · Data protection and cybersecurity training sessions · Consolidated group Sustainability strategy Technology & Transformation page 90 Sustainability page 66	· IBL website · Social media platforms · Customer feedback surveys · Press releases · Wiiv channels

STAKEHOLDER ENGAGEMENT

Our key stakeholders	Why we engage with them	Key expectations	Our response in FY2022	Engagement channel
Investors and shareholders	Our shareholders and investors provide the necessary funding for us to carry out our activities and maintain our financial resilience.	· Sustained financial returns · Sustainable growth strategy including well-defined risk management and sustainability approaches · Information regarding impact of COVID-19 pandemic on Operations · Economic leadership and awareness of international best practices · Sound corporate governance practices and regulatory compliance · Transparent reporting and disclosures · Regular access to Executive team	· Ongoing communication about IBL's performance and activities in light of the challenging context · Identification of new risks and management of all risks · Improved reporting on sustainability and non-financial activities · New strategy defined for key growth sectors, including renewable energy and healthcare · Progressed on Beyond Borders strategy · Strengthened risk management with respect to climate change and sustainability Group strategy page 64 Chairman's message page 28 CFO's report page 128	· Annual General Meeting · Analysts' meetings · Investor roadshows · Press releases · Ad hoc meetings · Annual Integrated Report · Group website · Social media channels
Government, regulatory and institutional bodies	Regulators and institutions provide the legal and regulatory framework in which our businesses operate.	· Contribution to national efforts to fight COVID-19 · Constructive engagement on national policy-making · Protection of consumer interests (quality, cost of products and services) · · Ethical business practices, including fair labour practices, and compliance with national regulations · Opportunities for job creation and socioeconomic development, including via community investment · Contribution to the national tax base	· Engagement and dialogue with national authorities, including via representation in relevant public-private forums and industry bodies · Granted contributions to national CSR strategy via IBL's Fondation Joseph Lagesse and CSR entities in Operations · Collaboration and input on circular economy initiatives · Support to the Horizon 2024 project through Fondation Joseph Lagesse (in collaboration with the European Union) Sustainability page 66 Corporate governance report page 172 Risk management report page 102 Chairman's message page 28	· Ad hoc meetings · Road shows · Website

STAKEHOLDER ENGAGEMENT

Our key stakeholders	Why we engage with them	Key expectations	Our response in FY2022	Engagement channel
Communities, NGOs, vulnerable populations and families	Our communities include those who live and work in, and beyond, the vicinity of our operations, as well as society at large. They are valuable partners in Fondation Joseph Lagesse's mission to reduce poverty and inequalities, and hold us accountable as a responsible corporate citizen.	· Support for those most affected by the pandemic · Positive and long-term impact on vulnerable communities' livelihoods in IBL's areas of operation · Funding and other types of support (CSR, in-kind support, partnerships) · Transparency and involvement in decisions and initiatives that affect the local community · Ethical business practices, including a clearly defined sustainability approach	· Continued restructuration of Fondation Joseph Lagesse in response to changes in CSR funding · Refinement of CSR strategy to focus on Literacy programme, Empowerment programme and Rapid Response Programme · Continued development of Fondation Joseph Lagesse''s research unit to assess impact, target community needs and request funding more effectively · Ongoing programmes to empower and improve outcomes in vulnerable communities · Produced CSR report of activities covering 2018-2020 · Developed Entity and cluster Prioritisation Radars within the Logistics cluster · Supported two additional NGOs through IBL On The Move Sustainability page 66	· Social media channels · Group website · Press releases · IBL on the Move
Suppliers and business partners	Our suppliers and partners underpin our value chain and directly influence our ability to deliver high-quality products and services to our customers.	· Flexible payment terms and moratoriums in the context of the pandemic · Transparent communication regarding the group and its activities, including information about group tenders · Timely payments and fair terms · Clear and transparent selection criteria · Ethical business practices	· Engagement and dialogue with suppliers to maintain trust and positive relationships · Transparent tendering and selection processes in each group entity · Ongoing corporate communication via website and press work Corporate governance report page 172	· IBL's website · Press releases

RISK MANAGEMENT REPORT

1. INTRODUCTION

IBL's risk management function was set up five years ago to drive efficient risk management across the group. Its main objective is to identify and mitigate risks in the pursuit of improved financial results, an enhanced operational performance and, ultimately, the achievement of the group's strategic objectives.

Since its inception, the risk management function has achieved several milestones, each one contributing to improving IBL's risk management maturity, both at the Holding level, and at the operational subsidiary level.

To firmly embed sound risk management practices across the organisation, our approach is based on gaining the buy-in of all tiers of management. To this end, the department engaged with top management across the group and started by aligning objectives:

- We implemented practical tools to assist the group's various businesses through coherent and systematic processes.
- We tailored our approach to be agile and bespoke in a way that our processes create value for different businesses within the group, no matter their industry or sector of activity.

Whilst we can state that we have made progress by delivering on our initial roadmap (described in section 2 below), we seek continuous improvement and have updated our plans to further enhance the risk maturity levels of IBL businesses.

This new plan (as laid out in section 3) aligns with IBL's strategy by considering threats and consequences triggered by recent events, such as the Covid-19 pandemic and the war in Ukraine. Climate change and geopolitical uncertainties rank high on the group's list of major concerns. Our leaders encourage our businesses to be prepared for various events that have the potential to disrupt the way we operate and work. The resilience of our businesses and people is high on our agenda.

2. DELIVERING ON OUR INITIAL RISK MANAGEMENT ROADMAP

This year, we pursued our risk management journey and progressed to step 5:

Step 1 2017-2018	Step 2 2018	Step 3 2018-2019	Step 4 by 2021	Step 5 by 2022
· Full Board support: Tone set from the top. · Allocation of resources to set up the risk management function, including appointment of a Head of Risk Management. · Creation of a tailored approach for each risk maturity group. · Design of a risk management structure.	· Preliminary analysis of Group entities and initial classification by risk maturity. · Design of IBL Group risk register. · Design of risk dashboard. · Drafting of a risk management policy and guidelines, in line with the group's risk appetite.	· Official launch and start of campaigns to raise awareness of IBL's risk management framework. · Buy-in from senior management of IBL. · Identification of Risk Champions. · Implementation of risk management policy and framework.	· Risk management embedded at the level of senior management and departmental heads. · Automatic linking of risk management to strategic objectives. · Implementation of an Enterprise Risk Management Framework (ERMF) software. · Continued deployment of ERMF in other IBL subsidiaries.	· Risk management gaining maturity across all Group entities and employees, top-down and bottom-up. · Systematic, coordinated and proactive identification, recording, reporting and monitoring of risks at all levels to achieve strategic goals or objectives.

Risk Management Areas	Progressing towards Step 5
Risk awareness	· Publication of RMC Focus, a departmental newsletter dedicated to "risk management and compliance" discipline-related topics. · Sharing on material risk topics with team members and The Executive Team. · Risk Management workshops organised for Directors and The Executive Team . · Risk Management awareness sessions provided to Risk Champions within IBL businesses.
Risk identification and assessment	· Annual risk assessment for IBL Group Top Risks 2022. · Review of group top risks (including new top risks) with Internal Risk Committee. · Identification of main risks at the Head Office level. · Development of risk registers for several IBL businesses. · Risk assessments performed in additional IBL businesses. · Assessment of risk maturity level for some IBL businesses.
Risk governance and reporting	· Regular reporting to the Audit & Risk Committee (ARC) of IBL Ltd. · Regular one-to-one meetings with the Chairman of IBL's ARC to discuss risk matters. · Reporting to the Boards of IBL businesses on the advancement of their Enterprise Risk Management Framework.
Risk monitoring	· Regular meetings with the Internal Risk Committee to brainstorm on specific risk management matters. · Setting up of IBL's Risk Appetite Statements for board approval. · Monitoring of main risks with Risk Champions at the level of IBL businesses. · Setting up of an internal AML/CFT risk map to determine the exposure of IBL businesses.
Control activities	· Development of an IBL policies and procedures register. · Implementation and review of business continuity plans (where requested). · Control efficiency walkthroughs conducted (where requested). · Compliance audits conducted (where requested). · Contracts audits made (where requested). · Due diligence conducted on stakeholders. · Setting up of a Contract Management guideline for IBL businesses. · Acting as liaison between insurance brokers and IBL businesses for insurance adequacy matters and new insurances. · Other risk management and compliance activities during the year as detailed in section 4 below.

RISK MANAGEMENT REPORT

3. NEXT STAGE OF RISK MANAGEMENT'S EVOLUTION WITHIN IBL

Over the course of the next three years, the risk management function will focus on the four pillars below, which align with IBL's Beyond Borders strategy, the digital and sustainability agenda at the group level, as well as the development of its People through IBL Academy.

	Extend and adapt our risk management framework to IBL's East African operations
	Digitalise our risk management processes
	Align our risk management framework with ESG requirements
	Continue to strengthen our risk management maturity through education and training

4. RISK MANAGEMENT & COMPLIANCE ACTIVITIES DURING THE YEAR

Activities undertaken / To the benefit of	IBL Ltd Level	IBL Operations Level
1. Risk Management · Refer to section 2 above ("Delivering on our risk management roadmap").	✓	✓
2. Data protection · Assistance to IBL businesses in implementing the Data Protection Compliance programme. · IBL Group Data Protection Officer (DPO) forum to share experiences, challenges and lessons learned on data protection matters. · Registration of a Data Protection training for data users with the Mauritius Qualification Authority. · Training provided to IBL Group DPOs on Data Protection. · Training provided to Data Users across IBL businesses to build and embed a data protection mindset. · Celebration of World Privacy Day on 28th January to raise awareness of the importance of data privacy.	✓	✓
3. Business continuity · Finalisation of IBL Ltd Business Continuity Plan. · Assistance provided to IBL businesses in compiling/reviewing their Business Continuity Plans.	✓	✓

Activities undertaken / To the benefit of	IBL Ltd Level	IBL Operations Level
4. Compliance · Compliance Management Policy statement approved by the Audit & Risk Committee of IBL Ltd. · Increased awareness on money laundering and terrorist financing risks for IBL businesses (including informative material shared). · Assistance provided to relevant IBL businesses to develop their AML/CFT framework. · Developed a Compliance Management framework for IBL businesses. · Provided support to IBL businesses in addressing compliance gaps and closing audit findings. · Provided support to IBL businesses in setting up their policy and procedure governance. · Developed Contract Management guidelines to assist IBL businesses in implementing best practices regarding contracts management.	✓	✓
5. Business Ethics · Finalised the awareness programme regarding the IBL Code of Business Ethics, using videos to explain each behaviour set out in the Code. · Celebrated World Ethics Day with an internal communication campaign confirming IBL's commitment to fight corruption and bribery. · Communicated at the Corporate Centre level on whistleblowing procedure and channels through self made comics. · Assistance to IBL businesses to set up or review their own Code of Business Ethics.	✓	✓
6. Risk Governance · Conducted ad-hoc assignments to review and advise on governance aspects for some IBL businesses.		✓

RISK MANAGEMENT REPORT

5. OUR RISK MANAGEMENT APPROACH

A tailor-made risk management framework is in place to address the diversified range of business activities within the group as well as the varying maturity levels of IBL's businesses. We have therefore defined three distinct approaches, adapted to the different risk management maturity levels of IBL's businesses.

Risk Management Maturity	Risk Management Approach
1. Low Maturity – No risk management function in place and no dedicated risk management resources.	Full risk management support from group. Assistance is provided across the risk management process, from risk identification to risk reporting.
2. Medium Maturity – Basic risk management structure in place. Risks are identified and discussed, mostly at an operational level, but not systematically reported to the entity's Board or to the group.	Partial risk management support focused on closing key gaps in the risk management process.
3. High Maturity – Material entities in their own right, which are either listed or highly regulated. Their risk management framework is well embedded and involves top-down and bottom- up monitoring and reporting of risks.	Limited risk management support from the risk management team of the IBL Group. Focus is on monitoring the completeness of the management of risks and ensuring appropriate risk reporting at group level.

	Approach 1 (Low Maturity)	Approach 2 (Medium Maturity)	Approach 3 (High Maturity)
Identification of risks	✓		
Identification of existing controls	✓	✓	
Assessment of risks	✓	✓	
Improvement plan	✓	✓	
Monitoring	✓	✓	✓
Reporting	✓	✓	✓

6. RISK GOVERNANCE

Our risk governance framework has been set up to give assurance to the Board that the risk management processes in place are effective.

The diagram below illustrates IBL Group's risk management structure and key responsibilities. This structure ensures that risk management processes are effectively embedded across the group. Given the complexity of the group's governance, the risk management structure is flexible and adapts to the different risk maturity and governance levels of IBL subsidiaries. Furthermore, the risk management structure must also adjust to differing regulatory and legal requirements applicable to IBL subsidiaries.

Communication and reporting flow within the group

Risk Champions in IBL Subsidiaries	Board of Directors of IBL Subsidiaries	Group Risk Management Function (IBL Ltd)	Audit & Risk Committee (ARC) (of IBL Ltd)	Board of Directors (of IBL Ltd)
· Determine risk maturity · Identify risks and controls · Design own risk registers · Nominate risk and control owners · Carry out risk and control monitoring on a regular basis · Keep Head of Risk Management & Compliance informed re implementation of Risk Management Framework	· Approves implementation of Group Enterprise Risk Management Framework and sets risk appetite · Nominates risk champion to manage risks with support from IBL Head of Risk Management & Compliance · Assesses risks and consolidates a list of material risks to be included in risk register · Reports main risks to Head of Risk Management & Compliance	· Head of Risk Management and Compliance drives risk management accross the group · Facilitates implementation and assesses the performance of Group-wide risk management framework · Assesses reported risks and prioritises those to be reported to the IBL Audit & Risk Committee · Maintains, monitors the evolutions and reports on Group risks · Provides training on risk management to develop awareness and risk culture · Provides tools and guidelines to cultivate a risk-based approach for launch of new projects · Reports risk information/ intelligence to the Audit & Risk Committee · Drives brainstorming on specific risk matters with the Internal Risk Committee · Contributes to other sub-committees on risk related matters	· Approves risk management framework – policy, strategy and plan, implementation, appetite and tolerance · Reviews adequacy and effectiveness of risk management framework · Approves the set up of internal sub-committees · Reports risks to the Board of Directors (IBL Ltd)	· Endorses, oversees and maintains the entire risk management system · Reviews the company's risk appetite and Group risk appetite parameters (where possible) · Delegates risk governnace duties to relevant board committees

IBL's Risk Management & Compliance Function

Drives, supports and coordinates risk management activities throughout the group and in line with its strategic objectives

RISK MANAGEMENT REPORT

	Typical Risk Management Roles					
Responsibilities/ Areas of focus	Board	Audit & Risk Committee	Risk Management Team	Risk Champions	Risk Owners	Control Owners
Risk management approach and process	A	C	R			
Implementation plan	I	A	R			
Risk management policy	I	A	R			
Risk management guidelines	I	A	R			
Risk appetite and tolerance	A	C	R	C		
Risk registers and dashboard	A	I	R	C	C	C
Risk mitigating action plan		I	I	A		
Monitoring of risks	I	I	I	A	R	R
Effectiveness of controls	I	I	I	A	R	R
Report on risks (existing and emerging)	I	I	A	R	C	
Training and awareness	I	I	R			

Legend: R Responsible | A Accountable | C Consulted | I Informed

7. RISK MANAGEMENT PERFORMANCE

The group's risk management performance can be assessed in several ways. Last year, IBL's Enterprise Risk Management Framework was audited by the internal audit function, and was rated as having "Basic ERM practices in place". Since then, the function has worked to improve its performance through several actions: finalising IBL's risk appetite statement, developing additional risk registers for IBL businesses, conducting risk management training and awareness sessions for IBL leaders, facilitating risk assessments and reporting, communicating, and sharing important risk management matters, and providing guidance on a number of topics related to control environment.

8. OUR CONTROL ENVIRONMENT

The risk management and compliance functions are part of the second line of defence within IBL's control environment.

During this financial year, we continued to strengthen our control environment by enacting the following measures:

- Delivering on our roadmap and promoting a risk-based culture in IBL businesses
- Adoption of a compliance management policy statement to set the tone
- Working in close collaboration with other lines of defence to strengthen the control environment
- Focusing on key control elements such as IT, Safety & Health, Data Protection, Business Continuity, Ethics and Governance
- Communicating with key governance players on risk issues
- Cross-sharing with the internal audit function on risk issues
- Building collaboration with identified risk champions at the level of IBL businesses

IBL's Combined Assurance on Risks		
1 1st Line of Defence	2 2nd Line of Defence	3 3rd Line of Defence
People management, internal processes and technology	Oversight functions such as risk management, compliance and safety & health	Internal & External Audits

The Head of Risk Management & Compliance attended IBL's ARC meetings during the year as per the attendance table below:

Meeting Date	Attended
04 August 2021	✓
08 November 2021	✓
03 February 2022	✓
05 May 2022	✓

The ARC received regular reports from the Head of Risk Management & Compliance to evaluate the efficiency of the risk management framework. To that effect, the Committee was able to consider and monitor matters such as:

- The IBL Group top risks (including strategic, financial, operational and compliance risks);
- Risk trends and emerging risks
- Compliance updates
- Risk management activities
- Review and validation of IBL's Risk Appetite Statements and
- Risk management reporting for IBL's Integrated Report

In addition, the Head of Risk Management & Compliance and the Chairman of the ARC meet on a regular basis to discuss and assess the effectiveness of the group's risk governance, emerging risks and to receive updates on other risk management activities.

RISK MANAGEMENT REPORT

IBL's Internal Risk Committee

To strengthen IBL's risk management system, an Internal Risk Committee (IRC) was set up in September 2020. The role of the IRC is to assist the risk management function in its mission to drive risk management across the group and support businesses in achieving their performance objectives. The IRC is composed of the following members of IBL's executive team:

Name	Function
Jean-Claude Béga	Group Head of Financial Services and Business Development / Executive Director
Dipak Chummun	Group CFO
Preetee Jhamna	CFO Group Operations
Thierry Labat	Group Head of Corporate Services
Christine Marot	Group Head of Technology & Sustainability
Olivier Decotter	Head of Risk Management & Compliance (Chairs the committee meetings)

The IRC mainly focused on the following matters during the year:

- Scoping and drafting of IBL's Risk Appetite Statement for Board approval
- Reviewing and updating IBL's Group Top Risks to be assessed this year

IBL's Information Technology Committee

In 2021, the ARC approved the creation of a dedicated Information Technology Committee (ITC) to drive the implementation of IBL's Information Technology Governance Framework (ITGF). Its role includes the identification, assessment and management of Information Technology risks in line with IBL's risk management framework.

The chairperson of the ITC reports to the ARC on the affairs of the ITC.

Detailed information about IBL's ITFG and the composition of the ITC is provided on pages 90 to 93 and 181 of this integrated report

9. RISK APPETITE STATEMENT

IBL Ltd's Risk Appetite Statement was adopted by the Board of Directors of IBL Ltd on 03 June 2022.

IBL is a conglomerate which holds a portfolio of businesses operating in different geographies and sectors of the economy. The group's current portfolio exposure is mainly concentrated in Mauritius, and its strategy is to extend its diversification in the region, mainly in East Africa, focusing on the Logistics, Health and Energy sectors inter alia.

To achieve its strategic objectives, the Company will have to take a reasonable amount of risks. However, if not properly addressed, these risks have the potential to threaten the Company's key assets (including profits, people, brand and the environment). These risks can also undermine the trust and confidence of IBL's stakeholders which, in turn, could hinder its strategy and, in extreme situations, threaten the sustainability of the Company.

The Board acknowledges that defining one global Risk Appetite Statement, that applies to IBL as well as all its subsidiaries, would not be adequate. Each subsidiary has its own risk profile based on its industry, environment, governance, stakeholders. and thus, a unique risk appetite aligned commensurate with its own strategy. In light of the above, the Board has focused on detailing, clarifying and approving a Risk Appetite Statement for IBL Ltd as a Company, but excluding its individual business units.

IBL's Risk Appetite Statement is a compass that aims to guide the Board and management in their decision-making process. It intends to remind decision makers to take into consideration risk factors when important decisions are called for. The Risk Appetite Statement describes the amount and type of risks that IBL is willing to take to meet its strategic objectives. It also describes certain risks the Company should avoid.

In the event of a strategic or opportunistic reason, an exception to the risk appetite parameters is accepted. Any exception considered, however, will have to be approved by the relevant governance body according to the respective delegation of powers and authorities. Exceptions will be subject to enhanced control and monitoring measures.

IBL's Risk Appetite Statements have been framed around the Company's main risk areas, as outlined below:

- Investment
- Reputational
- Operational
- Financial
- Compliance
- People
- Sustainability

The Board has also agreed to review the Risk Appetite Statement on an annual basis, aiming to align risk-taking with changes to its risk universe.

RISK MANAGEMENT REPORT

Risk Areas		Risk Appetite Statements
Investment	Strategy	· IBL's investment strategy is to hold a portfolio of investments in companies in which it can generally act as an anchor partner and create sustainable value for all its stakeholders over the long term. To that effect, IBL has a long-term investment horizon with no predefined exit strategy in mind. · In pursuing its investment strategy, IBL will, on the local front, preserve its core Mauritian investments and, on the international front, expand its reach in the region, mainly in East Africa, by investing in businesses where its subsidiaries have world-class expertise and in fast-growing sectors such as Health, Energy and Technology. · IBL reckons that investments are risky in nature and that risk exposure varies according to the sector and/or geography. On a project basis, IBL will allocate a budget for investment in start-ups and R&D. · IBL will avoid investing in countries demonstrating high geopolitical risk. It will also avoid investing in countries and businesses where policies and practices are contrary to IBL's values and governance principles, including Environmental, Social and Governance (ESG) goals. · IBL may resort to arbitrage to finance its strategic opportunities. For example, it may do so by deciding to disinvest from mature investments, from investments that no longer fit its strategy or from investments that are no longer aligned with its ESG commitments.
	Execution	· In executing its investment strategy, IBL will aim to ensure that its investment portfolio remains sufficiently diversified across growth industry sectors and chosen geographies. · IBL will generally seek to acquire a controlling stake in a business ("path to control"). However, depending on its size or sector, IBL will be open to acquiring an initial minority stake alongside a trusted partner (some of whom may be looking for "a path to exit") with the possibility to build up its shareholding to a controlling position at a later stage. · Capital investments in greenfield projects will not be substantial, except for innovative and/or opportunistic projects in collaboration with strong and skilled partners in specific growth industries. · New investments and projects are executed with due regard to value-added ESG inputs. · IBL will draw on best practices and its own lessons learned from past experiences, and will apply strict guidelines on all Mergers & Acquisitions (M&A) evaluations and potential transactions. When a potential M&A transaction materialises, appropriate procedures must be laid out to ensure that the transaction is executed in the most efficient manner. In the event of a new acquisition, IBL will adopt and set up a clear transition approach for post-merger integration.
	Management & Governance	· IBL is committed to standing as a trusted partner for its stakeholders. · IBL is committed to ensuring strong governance practices across its portfolio, in line with best corporate governance practices. · The Board of IBL is committed to including members of excellent repute, integrity and competence to drive its strategy, and to applying a stringent process for the selection of Directors. · IBL's representatives, who act as Directors on the Boards of subsidiaries and associates, will always be members of excellent repute, integrity and competence. · The Boards of IBL and its subsidiaries and associates will perform regular Board and Director evaluations to monitor their respective performance in compliance with best corporate governance practices. · IBL will follow appropriate procedures (including due diligence) to ensure that its strategic and commercial partners are promoting the highest standards of integrity, governance and values.

Risk Areas	Risk Appetite Statements
Reputational	· IBL enjoys a solid reputation in Mauritius. It considers its brand and the reputation of its people as a key strength towards achieving its objectives. · IBL commits to adopting the highest standards of ethics in all of its activities to avoid damaging the strong reputation it has developed amongst its stakeholders. · IBL will continuously build, enhance and protect its reputation and brand through transparent communication with all its stakeholders. · IBL will continue nurturing and deploying the principles set out in its Code of Business Ethics.
Operational	· IBL is very concerned by the rising trend of cyber security threats and will continue to invest in top-class cyber security solutions, including user awareness, to consolidate its cyber resilience, as well as the resilience of its investees, to protect its assets and stakeholders. · IBL fiercely condemns fraud, corruption and related behaviours and will continue its fight against these plagues. As a key deterrent to these plagues, IBL will encourage whistleblowing and provide all necessary safeguards to protect whistle-blowers.
Financial	· Funding is key to IBL's expansion and growth. IBL can avail of a range of financing options, such as raising capital from the public or sophisticated investors, or seeking facilities from banking partners. IBL will always select the most suitable financing option for its investment projects. · IBL will maintain its gearing at a reasonable level. · IBL will avoid speculative investments or operations, and its finances will always be managed in a prudent and responsible manner.
Compliance	· IBL considers compliance as a key element of its risk management and internal control environments. Hence, IBL will dedicate the necessary resources to embed a strong compliance culture and framework across its portfolio, aiming at always reaching maximum compliance with laws, by-laws, regulations and applicable policies, procedures and standards. · IBL will not allow any of its activities to be a channel for money laundering or terrorism financing. IBL is therefore committed to applying Anti-Money Laundering and Combatting the Financing of Terrorism ("AMLCFT") best practices to fight these crimes.
People	· IBL's people are its most important asset. IBL is dedicated to creating an environment in which its people can thrive and feel fulfilled. · IBL will work towards becoming an Employer of Choice, which ensures that its work environment is optimal to safeguard the safety and health of its people, provide opportunities for professional and personal development, and promote diversity, agility, mobility and inclusion across the organisation. · IBL will seek to hire the right people in terms of their attitude, skills, competence and agility, and build high performing teams.
Sustainability	· IBL is committed to acting as a responsible corporate citizen. IBL will thus apply ESG and ethical principles in its decision-making process and strategic initiatives. · IBL's sustainability objectives are geared towards contributing to society, sustainable solutions and responsible actions. · IBL will strive to always improve the ecological footprint of its activities, assets and people.

RISK MANAGEMENT REPORT

10. HEAT MAP – IBL GROUP TOP 15 RISKS

As in previous years, an annual risk assessment of IBL Group Top Risks was carried out. During a risk rating exercise, a voting panel was tasked with ranking 50 risks. This year's list included six new top risks, out of which five have been ranked within the group's Top 15 risks. The 2022 risk rating is closely related to current local and global macroeconomic trends (see below). Most of our top risks are dependent on external factors driven by major events that are generally outside our control.

We have considered the potential impact of external factors on our group and cluster top risks (see below).

Factors affecting the risks: *External factors are represented in blue and internal factors in white. External factors relate to outside events or conditions, including threats such as the sudden onset of a political crisis or opportunities such as a change in government policy or new partnerships. These risks may be beyond IBL's immediate control but are recognised and managed as far as possible. In contrast, internal factors relate to the adequacy of IBL's organisational policies, capacities, arrangements, resources and other issues.*

Internal Factors ○ ◔ ◑ ◕ ● **External Factors**

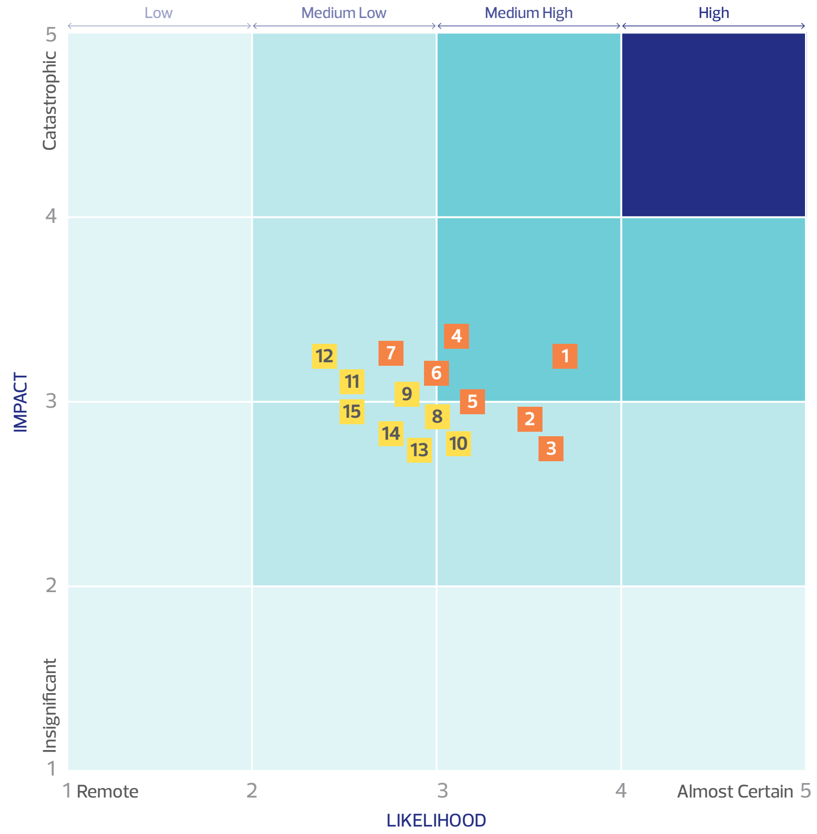
Furthermore, some of our top risks have a short-term horizon because they are related to the current context. Other risks have a longer-term outlook.

Finally, seven of our top 15 risks have been rated as Medium-High. Other risks fall in the Medium-Low range on a residual basis, as shown on the Heat Map. We have also reported on risk trends using last year's ranking as a baseline.

The events below affected the group's risks trends during the year under review.

Global and local inflation pressures	Supply chain disruptions	Effects of global warming
China border closure	Currency fluctuations and currency availability	Governments policies
War in Ukraine	Shortage of essential commodities	Major footstep in East Africa (Naivas)
Presidential elections in Kenya	Cyber security threats	Ongoing effects of pandemic

Heat Map – IBL Group Top 15 risks – Residual Risk Rating



Legend: Risk Exposure

Medium Low   Medium High

Ranking 2022	Risk Title	Trend vs 2021 ranking
1	Volatility of commodities price	↗ 7
2	Forex fluctuations	↗ 4
3	Geopolitical conflicts	NEW
4	Market conditions	↘ 2
5	Supply chain	↗ 15
6	Sustainability of tuna stocks	↗ 9
7	Cybersecurity threats	↗ 8
8	Global stagflation threat	NEW
9	Sustainability of National Debt	NEW
10	Climate Change	NEW
11	Country attractiveness	↗ 13
12	Tourism performance	↘ 1
13	National government policies	↘ 11
14	Air connectivity	↘ 5
15	Debt crises	NEW

Previous top risks that are no longer among IBL Group Top 15 risks in 2022

Risks	2022 Ranking	2021 Ranking
Pandemic	19	3
Property Sales Performance	17	6
Market concentration	20	10
Climate change transition	18	12
FATF watchlist	Not assessed	14

RISK MANAGEMENT REPORT

GROUP RISKS

The following risks concern the entire IBL Group.

Rank	Risk	Description	Factors Impacting Risks	Mitigating Measures	Main Capitals Impacted	Link to Group-level Strategy
2	Forex fluctuations	Adverse fluctuations in principal currencies and the MUR, impacting revenues from our import/export operations, and potentially negatively affecting the price of products and services, causing a decline in competitiveness.		· Group Treasury service to assist businesses in assessing and mitigating impact of adverse Forex movements. · Diversification of activities and income sources worldwide. · Group Forex conversion policy in place to mitigate a lack of Forex on the market. · Where applicable, creation of hedging strategies to match budgeted conversion prices, while protecting companies (partially or in full) from exposure to foreign currencies.		
3	Geopolitical conflicts (East Europe)	Lasting war in Ukraine and Western sanctions against Russia with spill-over effects on the price volatility of certain commodities, increasing cyber-attacks, and disruption in energy supplies, indirectly impacting the performance of the IBL Group.		· Geographical diversification of the group. · The group has no material, direct or indirect, financial or operational exposure to Russia or Ukraine. · Constant monitoring of current macroeconomic and geopolitical events and the potential impact with respect to our growth strategies and key stakeholders. · Constant monitoring of cyber security threats (as a possible consequence of the war). · Measures included in the National Budget 2022/23 are expected to help contain the ripple economic effects of the war in Ukraine. · Improvement in operational efficiency and productivity of businesses, as well as stringent cash flow management, to help navigate the uncertainties of the current global context.		
4	Market conditions	Lack of foreign currency on the local market, leading to an inability to pay foreign suppliers and meet contractual agreements, resulting in financial penalties and a partial or complete halt of commercial activities.		· Group Forex conversion policy. IBL promotes the sale of foreign currencies by Group Forex sellers, ensuring that Forex buyers are able to purchase foreign currencies from the group. · Negotiation of extended payment terms with foreign suppliers. · Strict management of cash flows and forecasts. · Encouraged clients to open and use new bank accounts and facilities, such as overdraft and import loans. · Where applicable, creation of hedging strategies to match budgeted conversion prices while protecting companies (partially or in full) from exposure to foreign currencies.		
5	Supply chain	Disruption in the supply chain causing increased lead time for imports and exports and out-of-stock situations, impacting the competitiveness of our businesses and their financial performance.		· Increase in "month stockholding" for critical/popular items based on supplier lead time. · Change in mode of shipment for certain suppliers and products. · Prudent approach to calculating orders. · Pre-booking of space with shipping lines. · Constant monitoring of stock levels and top orders raised as necessary. · Constant monitoring of the global situation. · Close collaboration between supply chain and category teams to efficiently manage potential panic- buying situations. · More frequent reviews of sales forecasts. · Development of solid network of supply chain players. · More rigorous supply chain and stock management processes in place within some companies. · Measures from National Budget 2022/23 (i.e. chartering of two regional feeder vessels / boosting of local production) are expected to yield positive results. · Resumption of service to Port Louis from Pacific International Airlines.		

RISK MANAGEMENT REPORT

Rank	Risk	Description	Factors Impacting Risks	Mitigating Measures	Main Capitals Impacted	Link to Group-level Strategy
7	Cybersecurity threats	Increasing attempts at cyber-attacks, potentially leading to major disruptions in critical systems and work infrastructure, loss or theft of critical data, information leakages causing a halt in operations, financial loss and reputational damage.		· Implementation of IT Governance Framework for the IBL Group. · Carried out Technology Maturity Assessment based on Technology Governance Framework to have clear visibility on the group-wide maturity. · IT Committee in place. · Cyber/IT security strategy developed for IBL Ltd. · Undertook due diligence and security assessments of external vendors/service providers. · Support of cybersecurity expertise to help build the group's cybersecurity capability. · Financial resources deployed to enhance IT security. · Bi-monthly COO Forum to share cybersecurity updates and initiatives. · Pursued the implementation of IT Security policies throughout the group. · Approval of the Cybersecurity Incident Management Policy and Cybersecurity Incident Response Procedure by the group IT Committee. · Review of IT security solutions for the group. · Embedded security in technology projects. · Refreshed and strengthened awareness of security best practices and IT security risks at all levels within the organisation (continuous exercise).		
8	Global stagflation threat	Lasting near-zero or slow global growth, combined with high inflation, adversely impacting people's wealth, and in particular High Net Worth Individuals resulting in the declined performance of key local industries such as Hospitality, Financial Services and Real Estate in which IBL Group operates.		· Geographical diversification of the group. · Tapping into new growth markets. · Constant monitoring of current macroeconomic and geopolitical events and the potential impact with respect to our growth strategies and key stakeholders. · Growth measures in National Budget 22/23 are expected to (i) improve the country's self-sustainability through food security (and reduce dependency on imports) (ii) boost the green economy; and (iii) charter of two regional feeder vessels.		
9	Sustainability of National Debt	Growing national debt leading to political, financial and fiscal crises adversely impacting the IBL Group as a whole.		· Geographical diversification of the group. · Improvement of operational efficiency and productivity of businesses, as well as stringent cash flow management, to help navigate the uncertainties of the current global context. · Measures in National Budget 22/23 expected to aid towards building resilience in the country's economy and public finances(i.e. through the reduction of public sector debt).		
10	Climate Change (Physical)	Climate change resulting in more extreme weather events, extreme temperatures, droughts, fires, destruction, floods, resource scarcity, famine, species loss, among other impacts, and brand damage for those contributing negatively to the crisis, leading to direct adverse effects on our people, assets and operations.		· Disaster recovery plans to limit impacts. · Execution of drainage masterplan in some companies. · Cyclone and flash flood procedures in place. · Insurance policies to cover operational losses caused by natural catastrophes (rainfall, cyclones and droughts). · Remote working capabilities.		

RISK MANAGEMENT REPORT

Rank	Risk	Description	Factors Impacting Risks	Mitigating Measures	Main Capitals Impacted	Link to Group-level Strategy
11	Country attractiveness	Mauritius' lack of attractiveness to our traditional markets and the global community, impacting key business sectors in which IBL has invested, and reducing foreign direct investment and the development of new business relationships and opportunities.		· IBL Group and its companies are trustworthy and longstanding partners to strong international brands of good repute present in Mauritius. · Successful exit from FATF grey list and EU/UK blacklists, reinforcing our credibility as a reputed International Financial Centre. · New marketing strategy to continue promoting the destination (as outlined in the Budget 2022/23 initiatives). · Participation in Government-led sustainability initiatives. · Implementation of strategic expansion plan abroad. · Promotion of R&D, Health, Renewable Energy s as new development sectors. · Lifting of remaining sanitary restrictions as from 01 July 2022.		
13	National government policies	Unfavourable Government policy decisions impacting the group's strategy and performance in Mauritius, and deterring foreign direct investments towards sectors in which the group has invested.		· Geographical diversification of earmarked activities to strengthen resilience and reduce exposure to Mauritian market. · Engagement with relevant stakeholders to achieve better import control/regulations and support for industry. · Strengthening of the group's presence in key private sector representative bodies, and increase in representation to assist in decision- and policy-making by the Government. · Active participation in consultations regarding national industry strategies. · Focus on higher-margin products and services. · Adapting businesses to align with national strategies for developing industries. · Stringent cash flow measures.		
14	Air connectivity	The incapacity of Mauritius' air connectivity strategy to maintain a sustainable flow of travellers, support the promotion of the destination, and help in the recovery of impacted business sectors.		· Working with authorities via hotelier associations in the countries in which we operate. · Implementation of strategic expansion plan abroad. · Continued diversification of the group's portfolio. · New airlines serving Mauritius, improving our accessibility. · The group's diverse geographical presence acts as a hedge against over-dependence on any one airline (hospitality).		
15	Debt crises (large economies)	Corporate and/or public finances overwhelmed by debt accumulation and/or debt servicing in large economies, resulting in mass bankruptcies, defaults, insolvency, liquidity crises or sovereign debt crises impacting the Mauritian economy as well as IBL businesses which are closely dependent on these large economies.		· Geographical diversification of the group. · Tapping into new markets to reduce dependency on major traditional markets. · Constant monitoring of current macroeconomic and geopolitical events, and the potential impact with respect to our growth strategies and key stakeholders. · Improvement in operational efficiency and productivity of businesses. as well as stringent cash flow management to help navigate the uncertainties of the current global context. · Measures in National Budget 22/23 aimed at reducing national debt.		

RISK MANAGEMENT REPORT

CLUSTER RISKS

The following were identified as Top Risks for specific IBL clusters.

Rank	Risk	Description	Factors Impacting Risks	Mitigating Measures	Main Cluster/s impacted	Main Capitals Impacted	Link to Group-level Strategy
1	**Volatility of commodities price**	Volatility in the price of commodities (including raw materials), impacting margins and performance worsened by possible shortages in view of disruptions in the supply chain.		· Mitigation plan defined, including potential price adjustments. · Development of appropriate hedging mechanisms. · Close monitoring of factors that generally affect commodity prices. · Focusing on local production capacities. · Use of controlled pricing mechanisms when entering into construction contracts (Property). · The National Budget 2022/23 includes measures taken to further control price hikes (subsidise essential products), provide subsidies to support the purchasing power of the population and promote higher levels of self sufficiency.	· Building & Engineering · Property · Commercial & Distribution · Agro & Energy · Logistics		
6	**Sustainability of tuna stocks**	Depletion of wild tuna stocks, impacting the supply of raw materials to the Seafood cluster and indirectly impacting the financial performance of the whole value chain.		· Ongoing lobbying of the Indian Ocean Tuna Commission (IOTC) to pass resolutions enabling the sustainable management of tuna stocks in the Indian Ocean. · Joint aligned position with Princes regarding sustainability approach. · Consensus reached by members of the IOTC in June 2021 to extend the management of quotas to all member states. The new resolution includes all vessel types irrespective of their size and fishing areas. · Increased participation in IOTC Working groups, Scientific Committee and Commission meetings as part of the Mauritian delegation. · Launched Sustainable Tuna Association. · Concluded partnership agreement with the EU for seafood: 0% duty on exports / quota-free. · Maintained good relationship with MEXA / Ministry of fisheries and ministry of Foreign affairs.	· Seafood		

RISK MANAGEMENT REPORT

Rank	Risk	Description	Factors Impacting Risks	Mitigating Measures	Main Cluster/s impacted	Main Capitals Impacted	Link to Group-level Strategy
12	**Tourism performance**	Decline in the number of high-value tourists visiting Mauritius and in the destination's attractiveness, coupled with increasing competition from other destinations and the long term adverse effects of the pandemic on the performance of the hotel industry and related industries.		· Nearing the end of the pandemic during the year under review (decreasing numbers of Covid-19 cases). · Continued international expansion with new hotel management contracts. · Diversification of revenues by billing in various foreign currencies (USD / EUR / GBP). · Successful opening of LUX* Grand Baie and signature of deeds of sale for IHS units. · Development of innovative packages/themes to adapt to changing trends of tourists, as well as to attract residents when tourists arrival rate is low. · Lux Le Morne certified as Platinum ECOsmart venue. · Full resumption of operations. · Stringent cash flow management measures. · Joint Public-Private working group on the tourism sector. · Support from the Mauritius Investment Corporation and other government schemes, including the Wage Assistance Scheme. · Encouraging signs of accelerating vaccine rollouts around the world. including in our target markets, and lifting of travel restrictions. · Reopening of the South African and Reunion Island markets, boosting arrivals. · Covid-19 safety certifications from trusted service providers such as SGS and Diversey (at LUX* properties). · Continued training in Covid-19 sanitary protocols of all team members. · The National Budget 2022/2023 included additional measures to support recovery of the tourism sector, promote Mauritius as a destination of choice, tap into new markets and support hotel refurbishment. A 10-year blueprint will be prepared for the future of the sector. · Improved air access and number flights to and from target markets. · Lifting of remaining sanitary restrictions as from 01 July 2022.	· Hospitality & Services · Commercial & Distribution · Logistics		

PERFORMANCE

GROUP CHIEF FINANCE OFFICER'S REPORT

GROUP PERFORMANCE BOUNCES BACK AFTER TWO CHALLENGING YEARS.

Background

The world has faced numerous challenges since the beginning of 2020, which affected people, economies and companies in profound ways we would not have expected a few years ago.

The COVID-19 outbreak first hit us as we approached the last quarter of the financial year ended FY2020 (year ended 30 June 2020). This threw the whole world, Mauritius and our group into sudden lockdowns, with restricted movement and halting foreign travel through border closures. These put significant pressure on logistics, sourcing of essential products including food, medications and spare parts for equipment and machinery. Hotels were closed off to foreign tourism, which put pressure on jobs and resulted in a shortage of foreign currency on the market for imports.

This largely persevered in the following financial year, FY2021, which for the purpose of this report is also referred to as "last year". Borders remained closed to foreign tourism, exacerbating the pressure on jobs, small businesses and the limited availability of foreign currency on the market. This in turn resulted in a further depreciation of the Mauritian Rupee (MUR) and an increase in overall household costs. People in non-essential services largely continued to work from home until the rate of infection got under control. Gradually in FY2021, local activity opened up and a sense of normality was restored in daily life, except for borders which were still closed. The vaccination programme came into force during the second half of FY2021 and there was a rapid take-up in the population.

In FY2021, Mauritius was included on the EU Black List off the back of the FATF Grey List, which had largely been addressed. This put Mauritius under the wrong focal lights and piled additional pressure on resources at Government level and main institutional levels.

With a vaccination programme in full swing, we started the current year FY2022 (year ended 30 June 2022) with no local lockdown, some operating restrictions in force, but borders still closed. There was a sense of optimism, however, that borders would re-open imminently, as could be observed in many European countries, UAE and some corridors in Asia.

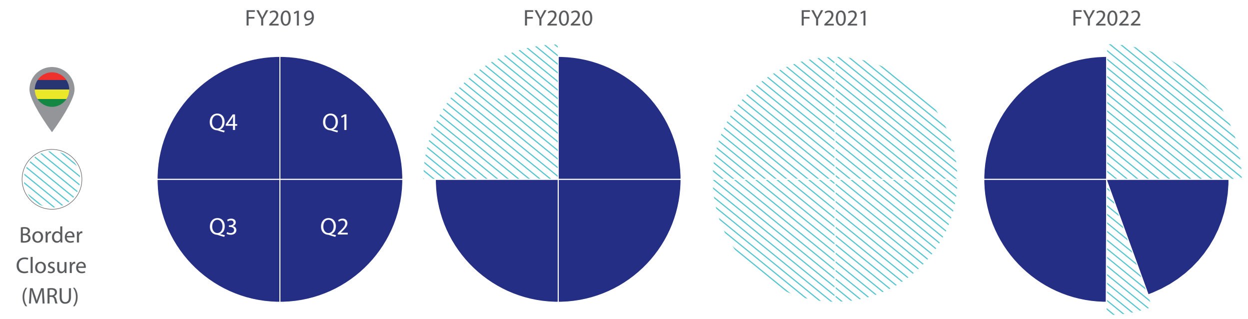
The Maldives and Reunion had eased travel restrictions earlier. In Mauritius, borders finally re-opened in October 2021 to foreign tourism and our hotels were back to near full occupancy only to be temporarily halted once again by the Omicron crisis in December 2021, which saw a lot of bookings during the peak tourism season in Mauritius get cancelled. The Omicron scare was short-lived, however, and the second half of FY2022 saw high demand for hotel bookings.

With concerted effort from all parties, Mauritius was removed from the FATF Grey List and EU Black List in early FY2022, much to the relief of the financial sector and industry at large.

The second half of the current year, however, saw the start of the war in Ukraine, which has since escalated into a human and commodity crisis. Sanctions against Russia and the war inside Ukraine itself have resulted in a shortage of key commodities typically sourced from both countries, which in turn have pushed up fuel and food prices and added to inflation. In response, many central banks have raised their benchmark interest rates which will have a profound impact on the economies around the world and people.

Performance of the group

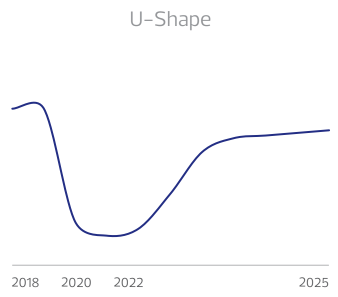
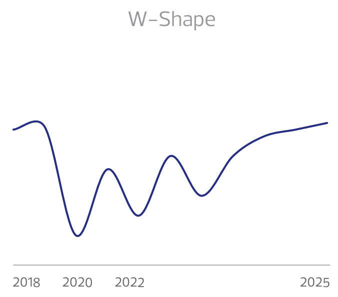
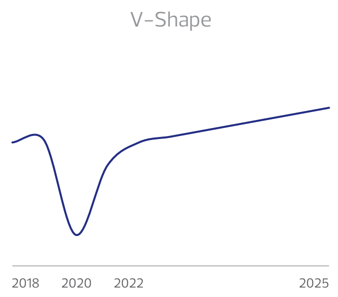
Given the above context, in commenting on our performance for the current year FY2022, I will analyse our results against two periods: (i) versus last year FY2021 – which as explained above, was a full financial year substantially impacted by COVID-19 and border closures and (ii) versus the full year results of FY2019, three financial years ago, which represents the last full financial year before the pandemic. The pandemic broke out as we approached the final quarter of FY2020, carried through FY2021 and faded in the first half of FY2022.



CFO'S REPORT

Also, in commenting on our results, I will use the same approach as I used in the last two years, by analysing businesses that we classified as "Highly Impacted by COVID-19" and those we classified as "Low to Medium Impact" separately.

To recap, in FY2020 and FY2021, we used the table below to show what we thought would happen across our business segments when we entered the pandemic, which ultimately transpired to be reflective of what actually happened as we moved through the pandemic and emerged on the other side of it. The table is as relevant for FY2022 as it was in FY2020 and FY2021.

Industry sector	Impact level	IBL's view of potential recovery scenarios	
· Hospitality - Hotels, Tourism & Associated Services · Property - Sales, Development, Contracting and Supplies · Logistics - Aviation	High		Businesses are projected to face significant slowdowns and challenges for as along as the pandemic lasts on a global scale and a remedy for COVID-19 has not been found.
· Financial Services - Banking, Insurance and Global Business · Property - Rental	Medium		Businesses or certain product lines expected to experience a bumpy ride in the medium term (e.g. resulting from default on loans or other challenges and uncertainties) until a new baseline is found.
· Agro · Energy · Wholesale consumer goods · Healthcare · Logistics - Warehousing, Shipping & Transport · Life Sciences · Technology · Seafood	Low		Businesses resumed relatively rapidly, though some now face doing business under new baseline conditions, e.g. rising import costs, reduced customer disposable income.

Group Profit and Loss

The summarised Profit and Loss below is an abridged version of the profit and loss in the financial statements. My analytical review will cover 4 key lines: Revenue, Profit from Operations, Share of results of associates and joint ventures, Profit before tax and an additional element which we have called "underlying profit" which is the profit before tax excluding the impact of non-recurring items which are reported in Other gains and losses in the group profit or loss.

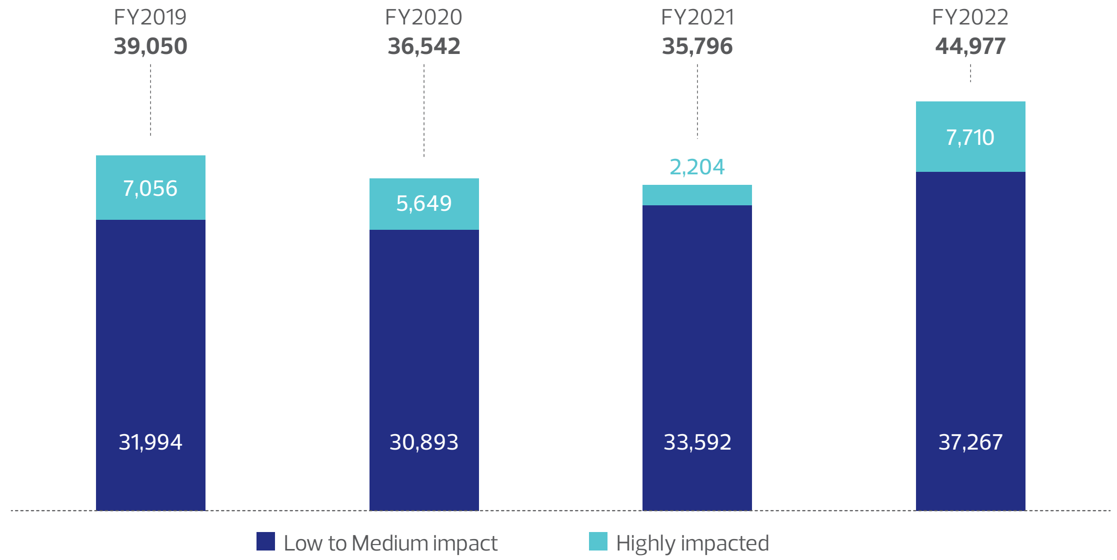
GROUP PERFORMANCE FOR FY2022

Summary of the published results of the Group

	THE GROUP	
	Audited	
	Year Ended 30.06.2022	Year Ended 30.06.2021
		Restated
	Rs000	Rs000
Revenue	**44,977,148**	35,796,136
Profit from operations	**3,359,951**	584,964
Share of results of associates and joint ventures	**905,556**	757,029
Other gains and losses	**(404,377)**	133,719
Net Finance costs	**(1,183,070)**	(1,108,104)
Profit before taxation	**2,678,060**	367,608
Taxation	**(736,366)**	(138,895)
Profit for the year from continuing operations	**1,941,694**	228,713
Discontinued operations		
Profit/(Loss) for the year from discontinued operations	**23,123**	(131,301)
Profit for the year	**1,964,817**	97,412
Other comprehensive income for the year	**392,407**	1,906,046
Total comprehensive income for the year	**2,357,224**	2,003,458

Group revenue

Group revenue for FY2022 increased by 26% compared to FY2021 and surpassed the overall revenue achieved prior to COVID-19 in FY2019 by 15%.



CFO'S REPORT

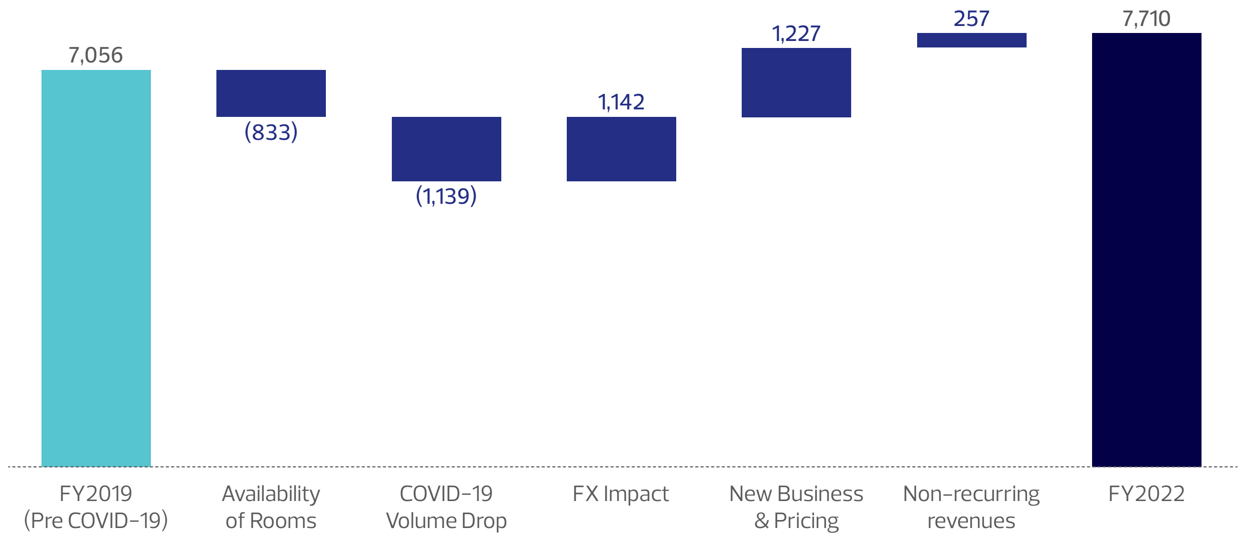
Analysis of Revenues for businesses classified as "Low to Medium Impact"

The revenues achieved by "Low to Medium Impact" sectors achieved a steady growth, with 11% growth delivered versus FY2021 and cumulative growth of 16% compared to FY2019, which represents a CAGR of 5% over the period. This top-line growth has been generated through the three factors below in reasonably even proportions:

- Exchange rates: The MUR has fallen versus major currencies since the onset of COVID-19, which means that businesses generating hard currency revenues such as DTOS, CNOI and the Seafood cluster report higher revenues in MUR upon conversion.
- Inflation: This phenomenon affects the cost of goods and services sourced both locally and abroad. It follows that businesses have to reprice in an attempt to maintain margins whilst remaining competitive. This in turn increases the price to the end customer and, at times, it changes buying behaviour.
- Organic growth: Our businesses are constantly looking for growth both locally and abroad. A number of initiatives have yielded growth across the various clusters.

Analysis of Revenues for businesses classified as "Highly Impacted by COVID-19"

It is clear that the revenue trajectory for sectors "Highly Impacted by COVID-19" has been bumpy from FY2019 to FY2022 for that very reason.



Analysis for how businesses "Highly Impacted by COVID-19" have evolved between FY2019 and FY2022 highlights the following:

Availability of rooms – LUX* seized the opportunity whilst borders were closed to revamp the portfolio of hotels. LIR sold one of the hotels in Reunion Island and closed Merville down to rebuild its new flagship hotel LUX* Grand Baie. The latter opened in the second quarter of the financial year despite the Omicron crisis in December 2021.

Volume Drop – this represents mainly the adverse impact of having had borders closed in Mauritius till October 2021. The Maldives and Reunion were not as severely affected as they had almost fully re-opened for business last year.

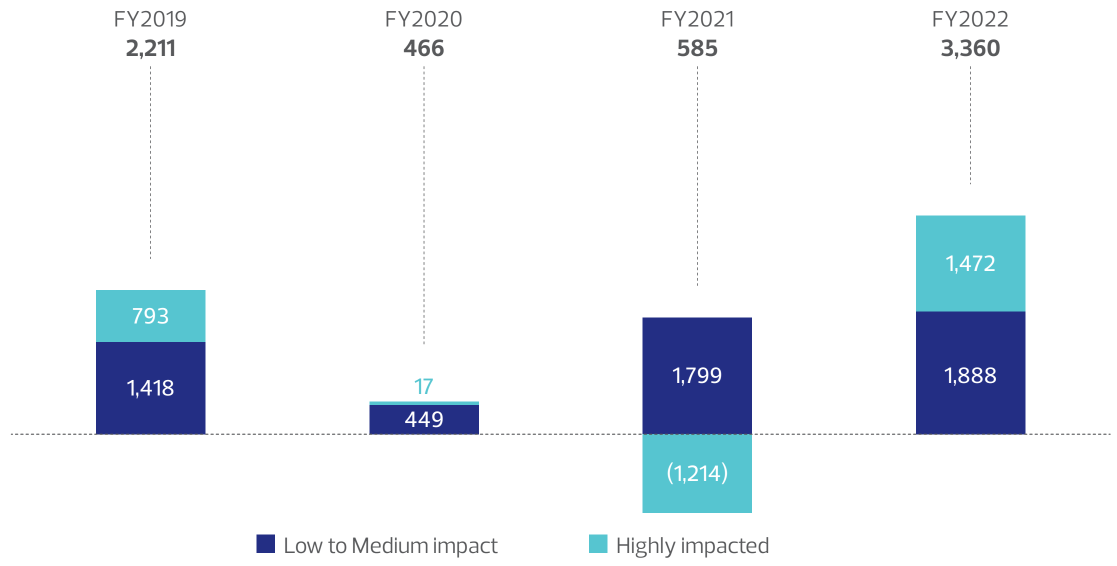
FX Impact – LUX* generates a significant share of its revenue in hard currencies, mainly USD, EUR and GBP. For the purposes of the analysis above, we have estimated the effect of MUR conversion rates for the relative share of revenue from each currency.

New Business and Pricing – represents the effect of optimising occupancy and pricing implementation since FY2019, catering to demand and also includes the impact of relaunching LUX* Grand Baie as a premium 5* resort.

Operating Profit

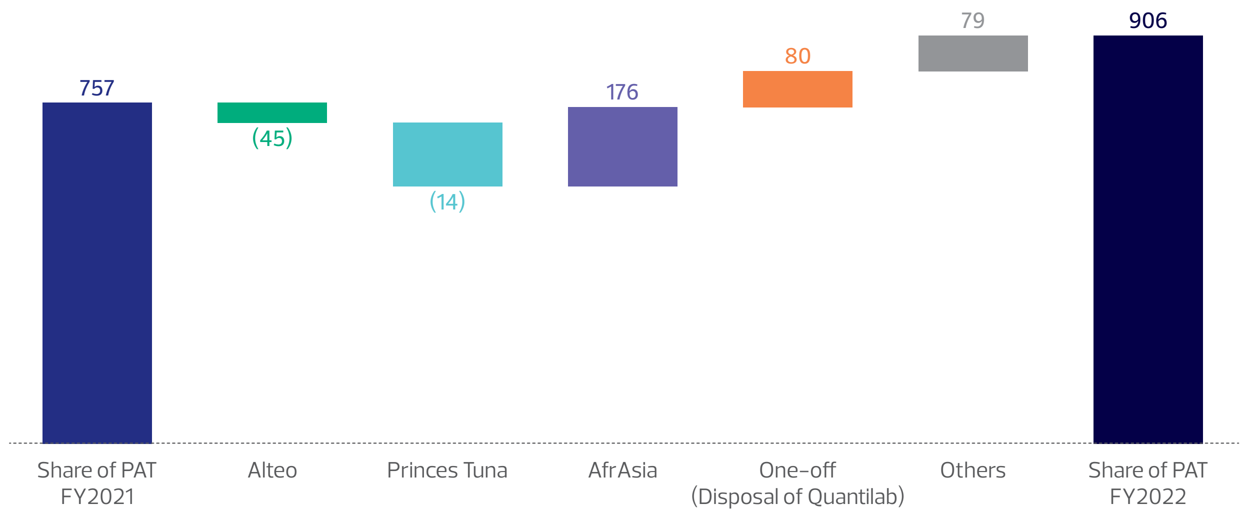
The group's operating profit for FY2022 has increased by nearly 6 times compared to last year and is higher than FY2019 (pre-COVID) by 52%.

For "Low to Medium Impact" companies operating profit is up 5% versus last year and 33% compared to FY2019, implying an average annual growth trend of 10%.



For businesses "Highly Impacted by COVID-19", the recovery post COVID-19 has yielded profits of nearly Rs 1.5 billion in FY2022, exceeding those of FY2019 by 86%, equivalent to an annual growth rate of 23%. This increase can be attributable to increased pricing of hotels, the launch of LUX* Grand Baie, exchange differences on revenues from the hotel sector and two major non-recurring items this year, namely revenues from the sale of villas at LUX* Grand Baie and a compensation for the cancellation of a management contract following a change in ownership of a hotel under TLC management, offset by the impact of closed borders for part of the current year due to COVID-19 and subsequently Omicron and the availability of rooms as shown on the previous chart.

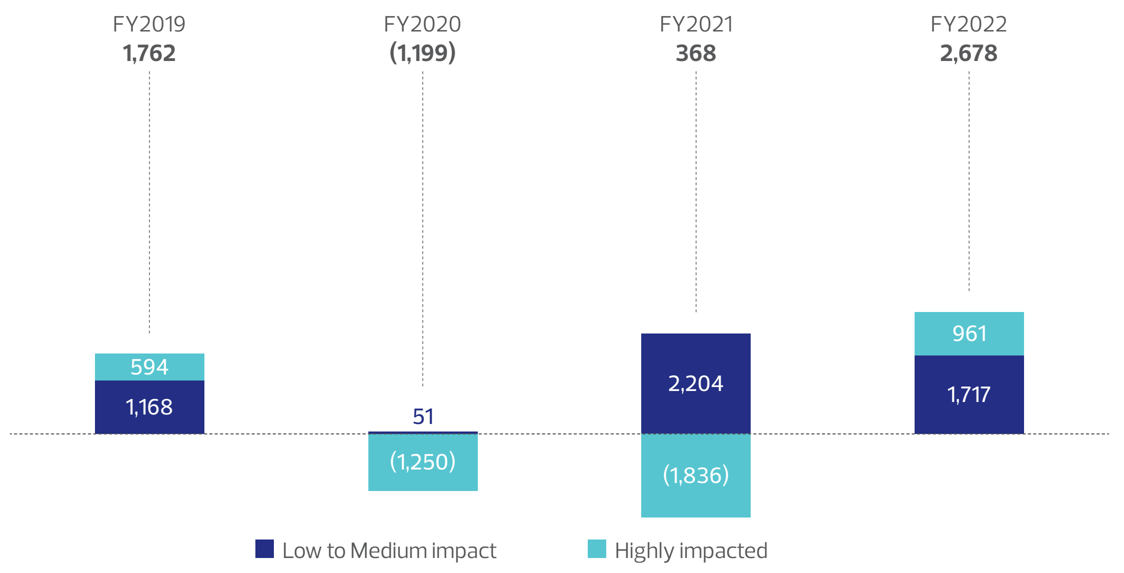
Share of results of Associates and Joint Ventures



The performance of the group's associates was mixed compared to last year. Alteo and PTM have had lower share of profits reported, whilst AfrAsia's performance has improved as reported in the cluster performance section of this report.

CFO'S REPORT

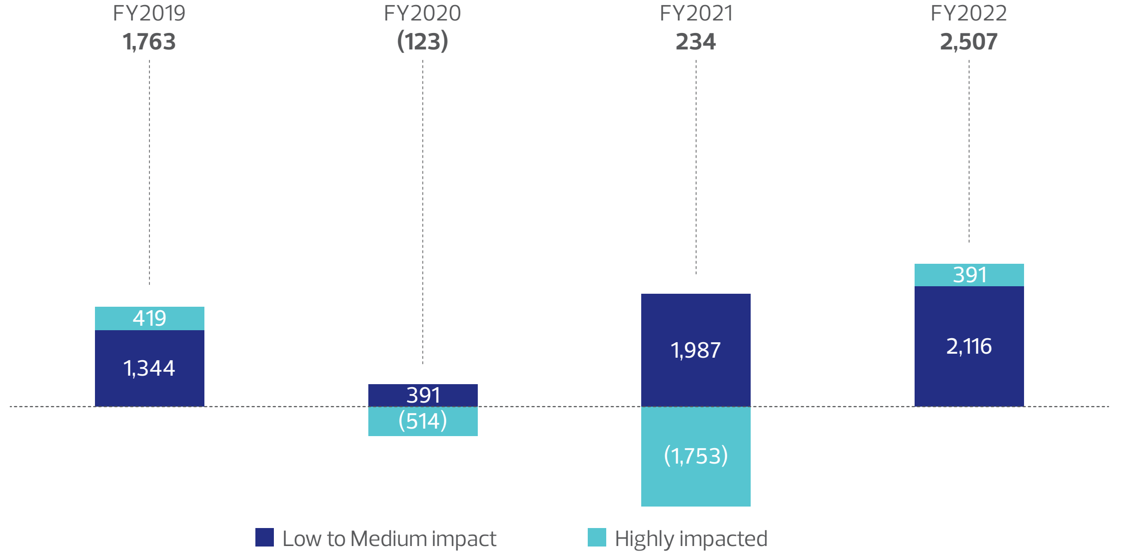
Profit before tax (PBT)



Whilst as expected, the performance of businesses "Highly Impacted by COVID-19" has improved year on year, as well as when compared to FY2019, the overall PBT of businesses classified as "Low to Medium Impact" has dropped compared to last year.

The main reason for this drop is the fact that the group has impaired the value of our associates in the balance sheet relating to PTM and MDM due lower performance than previous years, written down the value of goodwill relating to an acquisition by UBP and an impairment in the value of two assets held in LIR, namely in Mauritius and Reunion.

Underlying Profit



Underlying profit - defined as PBT excluding Other Gains and Losses and non-recurring items – was 11 times that of FY2021 and 42% above FY2019 (pre-COVID). This represents a Cumulative Annual Growth Rate (CAGR) of 12%.

For Low to Medium impacted businesses, underlying profit for FY2022 was 6% above that of FY2021 and 57% above that of FY2019 which represents a CAGR of 16%. This reflects the outcome of operational efficiency measures in the last few years.

For Highly impacted businesses, underlying profitability was back into positive zone but slightly lower than FY2019 mainly due to the hotel and border closures during the year and increase in operating and other costs.

CLUSTER PERFORMANCE:

Agro and Energy: Alteo's underlying profitability improved during the year on the back of better results for the sugar cluster in Kenya, Tanzania and Mauritius, and a higher contribution from the property segment in Mauritius through the sale of serviced plots. The spin-off of Alteo's overseas operations in Kenya and Tanzania into Miwa Sugar has been initiated. Miwa Sugar, which will be an associate to IBL Ltd, will continue to develop its regional footprint mainly in East Africa, while Alteo remains focused on the local cane activities, coupled with property development in Mauritius.

Building and Engineering: The segment's results fell this year. Manser Saxon, the contracting business, suffered from delays on construction sites in the early part of the financial year due to a resurgence of COVID cases in Mauritius at the time. UBP's year on year performance dropped due to rising costs of raw materials in the period under review but also due to the fact that in FY2021 the company benefitted from a backlog of projects which were delayed when COVID first emerged in FY2020. Activities at the shipyard, CNOI, ramped up significantly during the year with its increased capacity after investments in the shipyard.

Commercial and Distribution: Winners' strong performance drives cluster results. The supermarket chain successfully completed its rebranding and launched the Victoria Urban Terminal outlet. BrandActiv posted stable results despite pressure on margins resulting from increased import costs. HealthActiv recorded good top line growth, which translated into higher operating profits. PhoenixBev's sales volumes increased in both Mauritius and Reunion, but overall profits were adversely impacted by non-recurring expenses relating to M&A activities during the year.

Financial Services: The removal of Mauritius from the EU's blacklist benefitted the sector. The performance of DTOS was positively impacted by FX rates and lower debtor provisioning. Eagle Insurance encountered a lower claims ratio from the health segment in particular and recorded higher underwriting profits. Ellgeo-Re, the reinsurance broker, was consolidated as a subsidiary as from the current financial year and posted strong results. AfrAsia Bank recorded a strong performance after being impacted by significant Expected Credit Losses during COVID.

Hospitality and Services: This segment was the most highly impacted by the pandemic. Last year, borders were closed to foreign tourists. They were re-opened in October 2021 only to be temporarily closed again due to the Omicron crisis in the peak season of the year in December 2021. Nonetheless, LUX* delivered robust results despite not operating for the full year locally. Occupancy for Mauritius averaged 60% for the year but reached pre-COVID levels in Reunion and the Maldives. LUX* Grand Baie opened during the year and is a success. Results for the hospitality sector benefitted from non-recurring sale of villas at LUX* Grand Baie and a compensation for the cancellation of a contract in the Maldives following a change in ownership of a hotel under TLC Management. Post year end, a fire broke out at LUX* Belle Mare which will impact results for the cluster in the forthcoming year.

Life and Technologies: CIDP recorded better results thanks to its Romanian subsidiary and cost saving initiatives. The group disposed of Quantilab Ltd in order to invest in new ventures.

Logistics: The aviation sub-segment, also highly impacted by the pandemic, witnessed a recovery year and curbed its losses. All activities are continuously ramping up. Somatrans handled higher freight volumes at better prices whilst managing costs efficiently. Logidis' warehousing occupancy improved but performance was adversely impacted by higher overheads resulting from a volatile international environment. The shipping segment was affected by rising administrative expenses and profitability fell slightly compared to last year.

Property: Bloomage maintained high occupancy levels. BlueLife's main segments benefitted from the re-opening of borders with real estate buyers and tourists resuming visits to Mauritius. Hotel occupancy has improved and revenues from the sale of serviced plots at Azuri increased in the vein of the opening of the Nine golf course. BlueLife has obtained its Smart city certificate for Azuri and aims to complete several projects in the vicinity in the coming financial year.

Seafood: Whilst Marine Biotechnology Products processed lower volumes, results are at par with last year with improved margins. MBPCI in Ivory Coast recorded better results through increased volumes, enhanced margins and lower overheads. Cervonic posted better results thanks to higher yields. Princes Tuna, our main associate in this sector, was impacted by factory closures caused by the COVID outbreak at the start of the financial year and economic uncertainties in its main market, namely UK.

CFO'S REPORT

GROUP STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	Audited	
	As at 30.06.2022	As at 30.06.21
		Restated
Assets	**Rs000**	Rs000
Property, plant and equipment	**30,163,221**	29,224,107
Investment properties	**3,356,188**	3,267,618
Intangible assets	**2,477,409**	2,456,225
Investments	**11,322,367**	11,273,701
Deferred tax assets	**287,942**	446,649
Right of use assets	**4,916,237**	4,829,342
Other assets	**88,961**	176,661
Non-current assets	**52,612,325**	51,674,303
Current assets	**22,663,088**	18,312,240
Assets classified as held for sale	**828,556**	838,519
Total Assets	**76,103,969**	70,825,062
Equity and Liabilities		
Equity attributable to owners of the parent	**15,943,453**	15,041,245
Other components of equity	**1,465,283**	749,083
Non-controlling interests	**12,180,393**	11,672,133
Total equity	**29,589,129**	27,462,461
Non-current liabilities	**25,866,149**	27,096,721
Current Liabilities	**20,194,110**	15,892,681
Liabilities associated with assets classified as held for sale	**454,581**	373,199
Total Equity and Liabilities	**76,103,969**	70,825,062

Total assets increased by over Rs 5.2 billion. Main increases relate to current assets from the Commercial & Distribution, Hospitality, and Building & Engineering clusters. Total equity increased mainly due to profits for the year. Rs 2 billion of long term debt is reported as due within 1 year of the balance sheet date, explaining the movement between non-current to current liabilities.

COMPANY PERFORMANCE FOR FY2022

Summary of the published results of the Company

	THE COMPANY	
	Audited	
	Year Ended 30.06.2022	Year Ended 30.06.2021
	Rs000	Rs000
Revenue	**5,445,467**	4,767,958
Dividend income	**825,709**	725,400
Total Revenue	**6,271,176**	5,493,358
Cost of sales	**(4,320,857)**	(3,779,105)
Gross Profit	**1,950,319**	1,714,253
Other income	**185,015**	204,711
Administrative expenses	**(1,518,400)**	(1,486,310)
Expected credit losses	**71,477**	(54,152)
Profit from operations	**688,411**	378,502
Other gains and losses	**–**	11,711
Net finance costs	**(432,289)**	(347,158)
Profit before taxation	**256,122**	43,055
Taxation	**(11,811)**	(31,975)
Profit for the year	**244,311**	11,080

Profit for the year for the Company increased by Rs 233 million mainly due to Rs 136 million from operational margins and an increase in dividends income by Rs 100 million.

The Company incurred higher costs due to a combination of inflation as well as costs relating to investment projects. The Company invested in Naivas, the largest retail chain of stores in Kenya, after the year end.

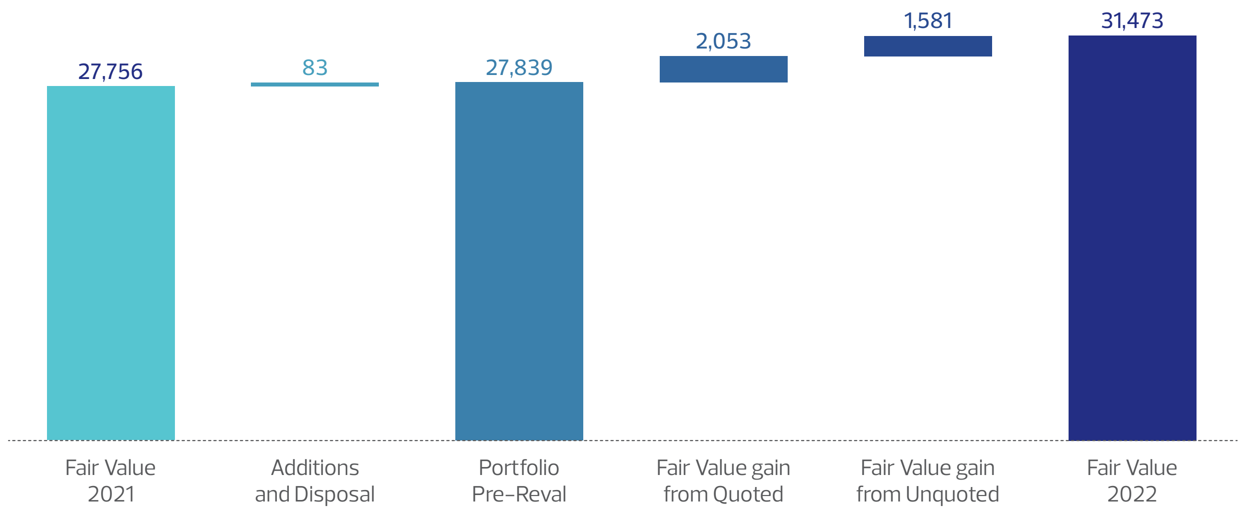
Expected credit losses were increased during FY2020 and FY2021 due to the heightened risks projected in those years associated with COVID-19. As we emerge out the pandemic, we have noted that we had been more prudent and have not incurred the losses we anticipated. We have therefore reversed some of the provisions we had made.

Net finance costs have increased in part due to interest rate hikes but also due to increase in borrowing. We have noted increases in interest rates after the year end, which will have an impact on the forthcoming year.

CFO'S REPORT

Company investment portfolio: Movement year on year (excluding other financial assets)

Figures in Rs millions



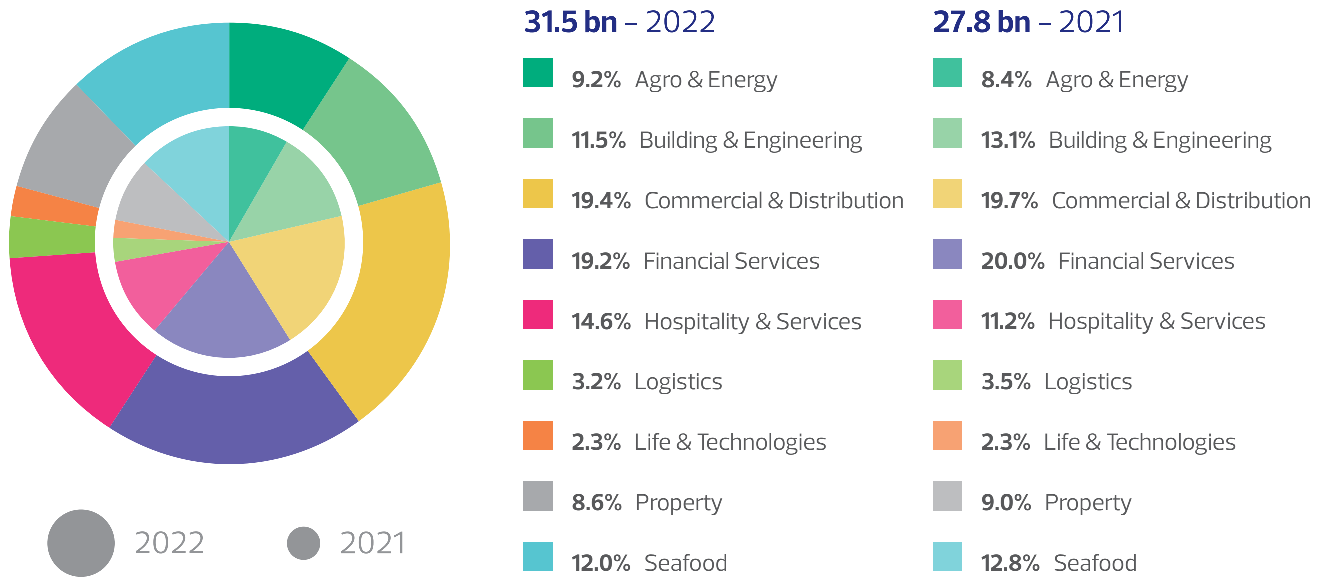
Overall, IBL's investments increased by 13% from Rs 27.8 billion last year to Rs 31.5 billion in June 2022.

The portfolio of non-listed businesses increased in value by 8% versus our listed portfolio which increased by 27% (table below). Highly impacted companies in the listed portfolio – LIR and BlueLife – saw their values increase by 49% after borders were re-opened, whereas other listed businesses overall yielded a fair value gain of 13%.

Figures in Rs millions

Movement in Value for Listed Investments	No of shares held (at June 2021)	Share price Jun-21 (Rs)	Share price Jun-22 (Rs)	Fair value 2021 (Rs M)	Additions (Rs M)	Total prior to revaluation (Rs M)	Fair value 2022 (Rs M)	Gain/ (Drop) in Portfolio (Rs M)	% Gain/ (loss) on quoted
LUX* (LIR)	77,425,389	33.00	51.25	2,555	-	2,555	3,968	1,413	55%
BlueLife	663,067,517	0.69	0.80	458	-	458	531	73	16%
Highly impacted companies				3,013	-	3,013	4,499	1,486	49%
Alteo	88,033,272	25.80	31.80	2,271	-	2,271	2,799	528	23%
UBP	8,785,100	144.75	139.00	1,272	-	1,272	1,221	(51)	(4%)
PICL	1,488,130	383.25	400.00	570	-	570	595	25	4%
PhoenixBev	527,659	600.00	600.00	317	-	317	317	0	0%
The Bee Equity	3,083,292	27.60	48.50	85	-	85	150	65	76%
Low to medium impact				4,515	-	4,515	5,082	567	13%
Total				**7,527**	**-**	**7,528**	**9,581**	**2,053**	**27%**

The movements above resulted in the following changes to the mix of IBL's overall portfolio:



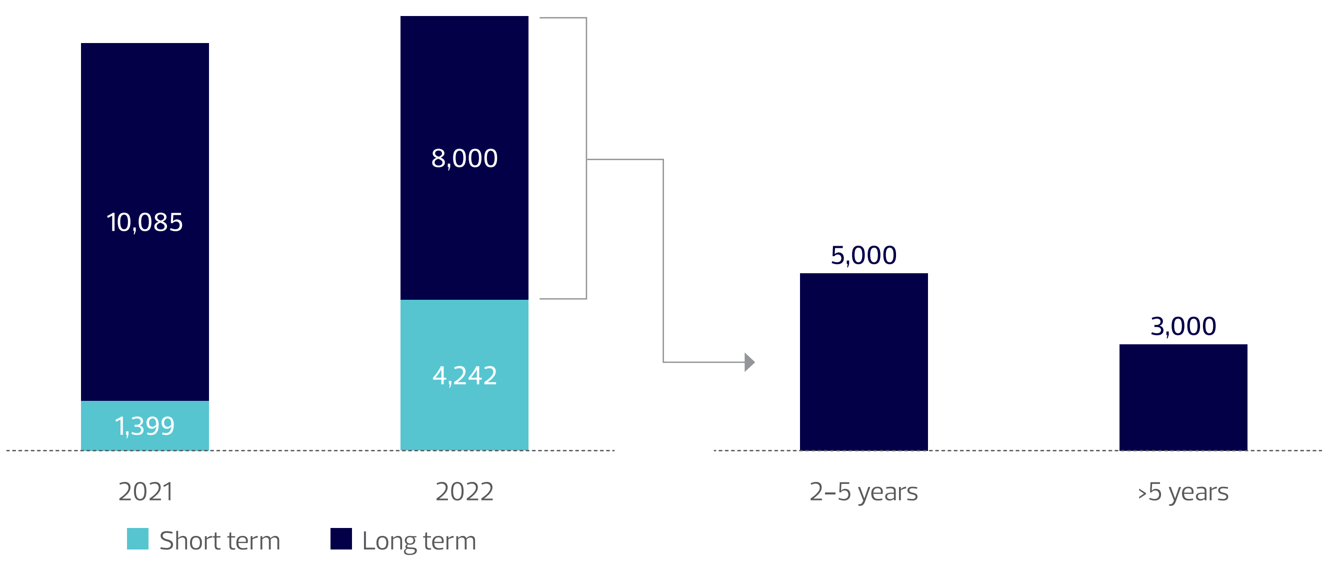
Borrowings

The Company issued Rs 3 billion of bonds in FY2021 mainly to refinance short-term debt to longer terms. As at 30 June 2022, the Company had Rs 2 billion of long term debt maturing within 1 year. At the time of writing, some of these have already been repaid.

The group's maturity profile as of 30 June 2022 is as follows.

Borrowing profile

Maturity Profile of Long-Term loans



CFO'S REPORT

Company shareholder information

Figures in Rs

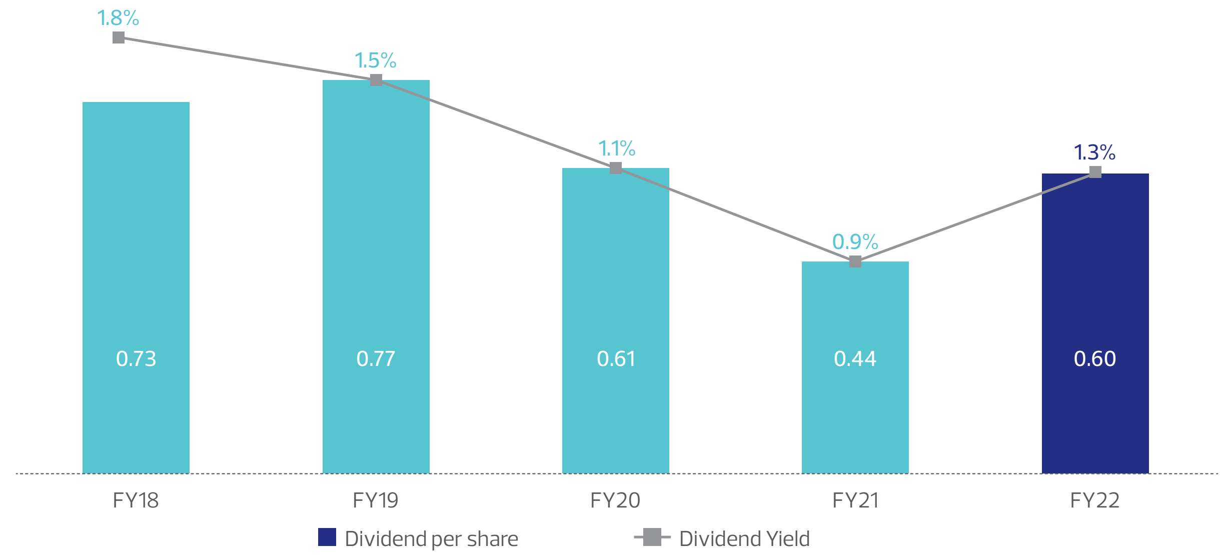
Share price evolution

Price	No of Shares	Capitalisation
52.00 30 JUNE 2022	680,224,040	35.4bn

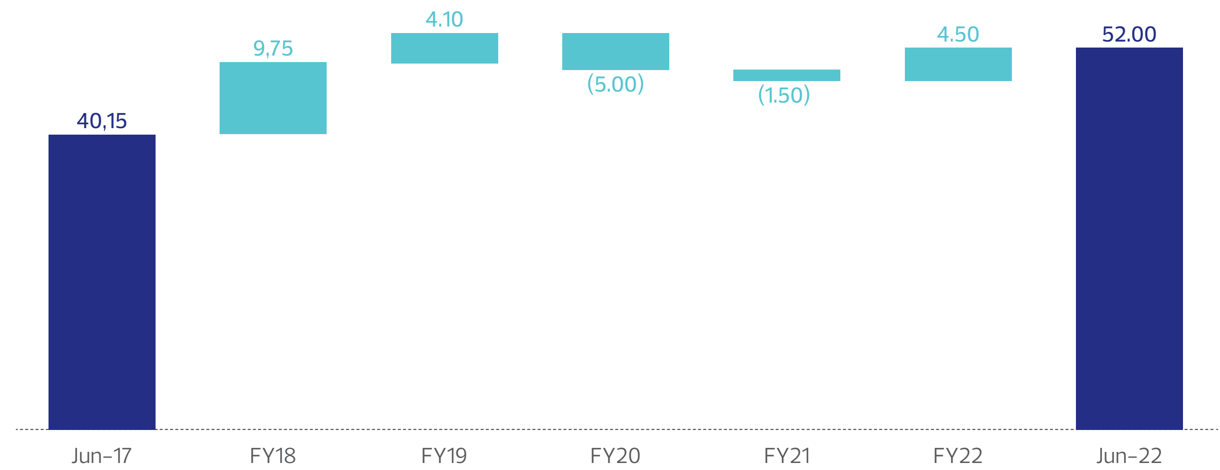
Financial Year 2022 Volume Traded Information			
	Highest Volume Traded on any day 799,801	Total Shares Traded In FY2022 7,913,038	
	Average Daily Volume Traded 31,779	Lowest 46.50	Highest 57.00

	FY2022	
Return to Shareholders:	**Rs**	**%**
Capital Appreciation	4.50	9.48%
Dividend Received	0.6	1.26%
Holding Period Return	**5.1**	**10.74%**

Return from Dividends



Return from Share Price



	Since Listing (14 July 16 to 30 Jun 22)	5 Yrs (01 July 17 to 30 Jun 22)	3 Yrs (01 July 19 to 30 Jun 22)	1 Yr (01 July 21 to 30 Jun 22)
Cummulative	108.4%	37.36%	(0.65)%	10.74%
Annualised	13.02%	6.55%	(0.22)%	

Investment x2 for shareholders holding shares since amalgamation

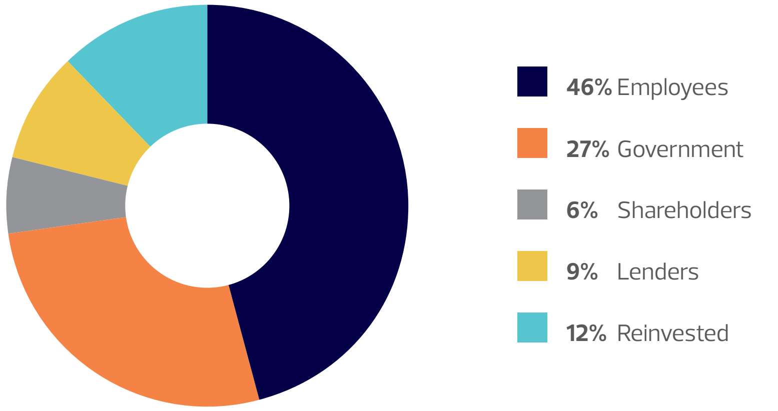
CFO'S REPORT

Value added statement – Group

	FY2022	FY2021 Restated
Value Created through:		
Revenues	**44,977,148**	35,796,136
Other Income	**1,313,439**	1,251,952
Cost of sales and Operating Expenses	**(32,060,346)**	(26,344,894)
Amortisation and Depreciation	**(2,435,940)**	(2,284,488)
Share of results of Associates and Joint Ventures	**905,556**	757,029
Profit/(Loss) for the year from discontinued operations	**23,123**	(131,301)
Other gains and losses and impairments	**(404,377)**	133,719
	12,318,603	9,178,153
Other comprehensive income	**392,407**	1,906,046
Total Value Created	**12,711,010**	11,084,199
Value distributed to:		
Employees: as remuneration and pension	**5,785,540**	5,372,516
Government: as taxes and duties	**3,385,176**	2,600,121
Shareholders: as dividends	**786,066**	637,074
Lenders: as finance costs less interest income	**1,183,070**	1,108,104
Reinvested or revalued within the group	**1,571,158**	1,366,384
Total value distributed	**12,711,010**	11,084,199

Value distribution

Share (%) of value distributed



Total value created has increased by 15%, driven mainly by the increase in profitability for the group. Better financial performance for FY2022 also results into higher value distributed to Government through taxes and duties.

Overall outlook

Mauritius deployed its vaccination campaign in the second half of FY2021. Take up increased rapidly in FY2021 and accelerated in FY2022 so much so that a large part of the population is now vaccinated.

Overall life and productivity have gone back to normal pre-COVID times, except that we are seeing a lot more "work from home" now that it is seen as somewhat normal. People are travelling more freely and tourist arrivals at all our resort destinations have increased significantly once borders re-opened after Omicron.

Our results for FY2022 testify to our resilience and will serve as a launchpad for medium term.

We anticipate some challenges in respect of demand from some of our markets due to rising costs and interest rates. In July 2022, IBL acquired a significant stake in Naivas, a major retail chain in Kenya. We are confident this business will be a significant contributor to our results in the future and that it will reinforce the group and validate our strategic ambitions.

The group continues to work on numerous growth opportunities. IBL will continue to rigorously evaluate and test these opportunities to ensure that any investments generate the planned returns in a short time.

DIPAK CHUMMUN
Group Chief Finance Officer

AGRO & ENERGY

Performance overview

The cluster saw increased revenues across all three segments. Alteo went full steam ahead into its diversification into sugar by-products, organic vegetables and livestock-rearing, while also developing a clear strategy to valorise its land bank on the East Coast. IBL Energy, for its part, made major strides in expanding into Africa, while helping IBL companies transition to alternative sources of renewable energy. In December 2021, it introduced the world's first fully autonomous high-altitude wind energy system in Mauritius, intended to generate green energy for the national power grid.

Share of results of Associates

Rs **275**m

FY2021: Rs 320m

Sustainability initiatives/projects

- Alteo is committed to transitioning to 100% renewables, having adopted a zero-coal policy on all new projects in line with the National Energy Strategy.
- IBL Energy continues to explore business models and solutions that will revolutionise energy production. Several major projects are underway within IBL's businesses: the construction of a biogas plant, set to reduce the seafood processing plant's carbon emissions by 80%; waste-to-value projects; and more recently, the world's first commercial high-altitude wind power project.

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Sugar (through Alteo) · The sugar segment was a major contributor to the cluster's profitability. Locally, Mauritian operations benefited from improved sugar prices on the world markets (driving sales prices up from Rs 13,000 to Rs 16,765 per tonne for the 2021 crop), remuneration for bagasse (Rs 3,300), and a higher mix of special sugars that reached 77,000kT, far exceeding targets for the year. This commendable performance was achieved despite weeks of unfavourable weather conditions, which affected the extraction rate. · Sugar operations in Kenya and Tanzania both improved: – Kenyan operations returned to profitability as a result of better cane supply and a higher volume of sugar produced, coupled with improved operational efficiency in the factory. – Tanzania saw a boost in performance thanks to higher sugar prices on the domestic market and the devaluation of the Mauritian Rupee, which translated into Rs 4.3bn in revenues (up by Rs 553m). · Progressed well on its diversification strategy, with a focus on sustainable agriculture: – launched its intensive deer farming project and produced 1.2 tonnes of 100% grass-fed deer meat for the local market as at June 2022. – launched production for over 15 different varieties of hydroponic tomatoes, producing 9.7 tonnes in FY2022. Demand for the product has been extremely favourable so far.	In October 2021, the Board of Alteo announced its decision to restructure Alteo Group into two listed companies: Alteo Ltd will manage sugar, property and energy activities in Mauritius, while Miwa Sugar Ltd will bring together activities in Kenya and Tanzania. The restructuring, which is still subject to approval, aims to develop Alteo's diverse land bank on the East Coast and cement its position as a leading property developer locally, while expanding its cane footprint in East Africa. **Sugar** · Favourable sugar prices are expected to be maintained, benefitting local and African operations. · Set up the distillery in Tanzania, a project that was temporarily put on hold due to the pandemic.
Property (through Alteo) · The successful execution of Alteo's property development pipeline accounted for a significant portion of the group's turnover in FY2022. Even though the pandemic set back its ambitions to sell the remaining residential units by a few years, demand for Anahita villas remained strong. Nine serviced land plots and two off-plan villas were successfully sold within Anahita; alongside this, several reservations which were confirmed during the previous financial year were only finalised in December 2021. · Completed the development of the land parcelling projects, Mont Piton 2 and Balnea 2, with 81 and 84 deeds of sale already registered respectively. Following this success, the third phase of both morcellements has been initiated. · Resort and golf operations both improved with the reopening of borders in October 2021, upping resort occupancy at Anahita and considerably increasing green fees.	**Property** · Alteo's pipeline for high-end residences remains promising and Anahita IRS to be fully sold out within the next two years. · Continue diversifying destinations across geographics and market segments. · Resort and golf activities are expected to pursue their growth momentum as inbound travel continues to increase. However, we are closely monitoring the operating context, as mounting inflationary pressures are likely to impact discretionary spending in leisure activities by future travellers. · In September 2021, Alteo announced plans for a new smart city project, Anahita Beau Champ, in line with its ambition to extract maximum value from its non-agricultural land assets. It will be developed into an agri-hood, rooted in the principles of sustainable agriculture and wellness.

AGRO & ENERGY

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Energy (through Alteo and IBL Energy) · Alteo's energy production from bagasse and cane trash dropped by 15%, mainly due to the lower offtake from Alteo Refinery Limited, which stopped its operations in 2020. This resulted in lower total energy exported to the grid. To compensate for this decrease, coal energy production was ramped up to reach a total of 96.4GWh, thus improving revenue but lowering overall profits due to the increase in coal prices. · In line with its vision to explore alternatives to traditional wind power, IBL Energy installed an airborne kite system on the East Coast - the first of its kind in the Southern Hemisphere. This project will aid Mauritius in its vision to target a 40% share of renewables in its electricity mix by 2030. · IBL Energy is also addressing the needs of its Commercial & Industrial (C&I) customers in a differentiated way by exploring solutions beyond photovoltaic installations: energy efficiency, the waste value chain and refrigeration, amongst others. Experts in these fields were recruited to drive the implementation of several projects within IBL's BUs. Among these is Energie des Mascareignes, a waste-to-value plant created as a joint venture between IBL Energy and Green Create, specialist of green energy. The plant is in the final stage of commissioning and once operational, it will help to reduce emissions from the seafood processing plant by 80%. · Following a strategic review with McKinsey, IBL Energy's Board was strengthened with members having industry-specific expertise and country knowledge to facilitate its expansion into East Africa. Partnerships are being developed to deliver on IBL's Beyond Borders strategy.	**Energy** · Alteo has adopted a zero-coal policy for all its upcoming projects and aims to continue bidding for green energy projects. · IBL Energy aims to get all projects within IBL's BUs off the ground. It will also pursue its diversification into various energy sources, including waste-to-value initiatives, refrigeration, hydropower and immobility. · Potential acquisitions are being considered in East Africa to deliver on the Beyond Borders strategy.

Link to IBL Group risks

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Link to IBL Group strategy

BUILDING & ENGINEERING

Performance overview

The cluster's improved profitability can be attributed to the noteworthy performances of CNOI and UBP, which both benefitted from a strong backlog of projects delayed by the pandemic. CNOI's ship-repair and shipbuilding activities picked up well, and it acquired the world's largest mobile boat hoist, cementing its position as a leading player in its industry. Despite increased finance and production costs, UBP consolidated Premix as a subsidiary, and announced a major acquisition in Reunion Island with the potential to significantly enhance its production capacity in the coming years. Manser Saxon, for its part, was directly impacted by higher operating costs and a subdued hospitality industry.

Key figures

Revenue

Rs **7,680**m

FY2021: Rs 7,020m

Operating profit

Rs **419**m

FY2021: Rs 581m

Sustainability initiatives/projects

- CNOI identified its biggest polluting sources and implemented measures to offset the negative impacts: set up a decanting system to collect paint chips and hull coatings, preventing them from landing in the ocean; it also invested in a wastewater treatment plant which filters out oily wastes, making it possible to reuse the treated water or discharge it safely into the ocean.
- UBP continuously improves its energy efficiency. During the year, it set up a Measurement and Verification protocol that will provide them with a framework to report on project energy savings transparently, reliably and consistently. Campaigns were also launched for two products: the Megablock, which can be reused unlimited times, in unlimited combinations; and the Big Bag, launched in 2022, which can be recycled at any Espace Maison outlet or reused for the fabrication of big bags to promote circularity.

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Engineering and contracting (through Manser Saxon) · Manser Saxon was impacted by the consequences of the pandemic: its pipeline of projects was delayed due to the 2021 lockdown; its biggest market, the hospitality segment, continued to limit spending in construction/renovation projects; and the combination of Forex losses and high freight costs severely affected its profitability. · Following the reopening of borders in October 2021, activities in the hospitality sector picked up and construction resumed for delayed projects: Energie des Mascareignes' methane plant in Riche Terre, set for completion in August 2022; the largest mall in the region, Tribeca, scheduled for opening in December 2022; Telfair Towers for ENL Properties scheduled for completion in Q4 2023. · The Manser Saxon Training Academy was strengthened with a new Training Manager, and additional courses were added, offering up to 3,000 hours of training. Alongside this, the Employee Assistance Programme was reinstated to support employees through their professional and personal challenges. The ENPS score for the year stood at 20, demonstrating high levels of employee engagement. · Restructured the Interiors division, returning the segment to profitability during the year under review.	**Engineering and contracting** · Build on the new structure of the Interiors division. · Recruit a Head of Business Development and Strategy to lead the diversification of the company. · Complete and deliver on projects in the pipeline: Energie Des Mascareignes methane plant, the renovation of LUX* Belle Mare, Tribeca Mall and the conversion of an existing building into dormitories to offer higher standards of living to expatriate workers. · Continue diversifying activities to reduce dependence on one segment. · At the time of writing, prices have stabilised and Manser Saxon has secured close to 95% of its targeted budget for FY 2023. Provided there are no further delays in projects, the business is expecting to return to profitability.
Shipyard (through CNOI) · CNOI had an exceptional year, with activities picking up even before the full reopening of borders on account of competing destinations in the region being closed, and vessels/customers opting for Mauritius as a result. · Having enlarged its site to accommodate a larger number of vessels, CNOI was well positioned to deliver on major projects: – carried out more repairs and maintenance on higher value-added vessels, especially for Spanish tuna purse seiners; – completed and delivered the construction of a double-ended ship (amphidrome), Le Malani, for Guyana despite operating in a Covid-dominated environment; – acquired the world's largest mobile boat hoist in November 2021. With a capacity of 1,500 tonnes, the lifting tool allows up to five ships to be dry-docked at the same time. This world-first event is expected to help CNOI capture new markets for careering and shipbuilding, and place it on the map as a world-leading player. · Won five major shipbuilding contracts: two amphidromes (Mayotte), one 50 metre long pontoon (Mayotte) and two skiffs (CFTO).	**Shipyard** · CNOI expects to pursue its growth trajectory in the coming year, driven by: – a promising outlook for the mobile boat hoist, with a recurring three-month visibility on planning; – a positive outlook for dry-dock, with the book order almost full for the next 30 months at the time of writing; – the construction of two double-ended ships for Mayotte; – a renewed commitment to training its human capital and ensuring employees have the skills to master their trades and deliver on the pipeline of projects. Training will be carried out by partnering with technical schools. – Step up efforts to create a work environment that attracts and retains female talent.

BUILDING & ENGINEERING

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Construction and building materials (through UBP) · Despite facing delays in construction projects, coupled with the impact of inflation and the rising cost of materials, UBP had an eventful year and delivered on several strategic objectives: – Increased stakes in Premix to 100% and in Drymix from 54.6% to 71.8%. These measures form part of UBP's strategy to increase synergies between its businesses and move towards vertical integration. To this end, the sales teams at UBP, Drymix and Premix were brought together to explore cross-selling opportunities, and a new Customer Care Centre was set up to deliver a consistent customer experience across all three companies. – In July 2022, UBP signed an Exclusive Agreement to acquire several companies in Reunion Island. The acquisition, which is still subject to approval, will enable UBP to double its production capacity in the Indian Ocean, while also aligning with IBL's Beyond Borders strategy. – Espace Maison navigated the crisis commendably and recorded a 160% increase in profits over the previous year. This excellent performance was driven by the effective management of stock, the extension and redesign of the Tamarin and Forbach outlets, and improvements in its e-commerce site and mobile app. – All teams undertook Service Excellence training by Ron Kauffman to align the group around common service standards. – Major marketing and communication plans were deployed to enhance the visibility of Drymix and Premix, and strengthen their B2C and B2B brand positioning.	**Construction and building materials** · Focus on core business by strengthening the combined value propositions of UBP, Drymix and Premix, and ensure the Customer Care Centre delivers consistent service excellence across all three businesses. · Make further improvement to Espace Maison's e-commerce website and launch the dedicated mobile app for freelance building & construction professionals. · Progress towards carbon neutrality by encouraging decarbonisation along the entire value chain. · Pursue R&D and innovation to improve existing products and introduce new ones. · Return Gros Cailloux to profitability by focusing on the Leisure & Restaurant segment and continuing to expand vegetable-growing activities.

Link to IBL Group risks
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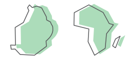
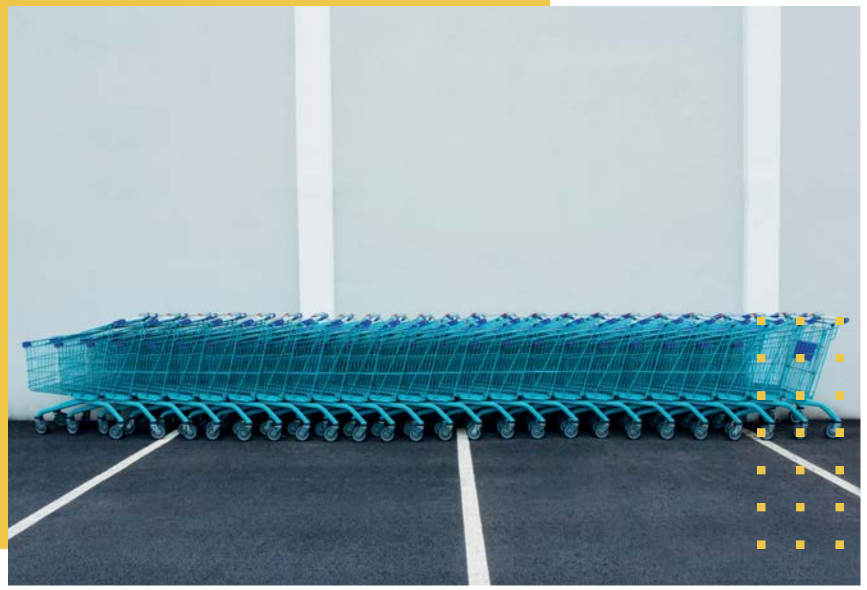
Link to IBL Group strategy



COMMERCIAL & DISTRIBUTION



Performance overview

Winners largely contributed to the improved performance in this cluster. It implemented effective cost control measures and unveiled a new identity as a sustainable supermarket chain. The commercial engineering segment also generated profits across all its businesses during the year. Wholesale and distribution companies saw a reduced turnover due to higher import costs, but made strides in diversifying their portfolio of products and positioning themselves for future growth, both locally and regionally. PBL generated higher revenues and its profitability remained resilient. It also introduced a range of new innovative craft beer, Manawa, to its portfolio.

Key figures

Revenue

Rs **27,637**m

FY2021: Rs 24,414m

Operating profit

Rs **1,329**m

FY2021: Rs 1,184m

Sustainability initiatives/projects

- HealthActiv and MedActiv have eliminated the use of plastic for client orders and deliveries, and work closely with the Ministry of Environment to safely dispose of and destroy pharmaceutical products. Healthcare and wellness have also stood out as imperatives for more resilient societies.
- Winners has adopted a new green logo and a promise – 'We are all Winners' – which underscores its renewed commitment to placing sustainability, proximity and inclusiveness at the heart of its strategy. Its new outlet at Victoria Urban Terminal is equipped with energy-saving devices, which will be rolled out to all other outlets. Local farmers and suppliers are valorised on a platform named 'Nu Pei Nu Valer'.
- Intergraph is working on an off-grid system for autonomous solar power for its building and part of its fleet of vehicles.
- PBL carried out several initiatives: PhoenixEarth was launched in December 2021; Solar panels were installed at the Limonaderie, with renewable energy from the solar system powering the coolers at the facility, thus reducing energy consumed from fossil fuels; a new rainwater recovery system was installed at their Nouvelle-France site to reuse rainwater for internal use, reducing consumption from groundwater sources; and two PhoenixEarth-branded electric vehicles were purchased to test the feasibility of moving away from diesel and petrol-powered delivery vehicles. If successful, PBL will consider shifting to a clean energy fleet powered by solar energy.

Performance highlights in 2021-22

Wholesale and distribution (through HealthActiv, BrandActiv and MedActiv)

- BrandActiv delivered strong growth, despite contending with disruptions in its supply chain, higher import costs and a maximum mark-up mandated on certain product categories, putting pressure on margins. In response, it proactively adapted its strategy on non-essential product categories (Personal & Home care) to address customer needs, while continuing to diversify its portfolio. During the year, it secured new brands, entered the dairy segment and extended its product categories in well-performing Food & Beverage brands. It also increased its collaboration with local brands, leading to an 18% increase in its share of local products.
- A big highlight was the soft launch of KazActiv, a small-format brand store which aims to showcase BrandActiv's key brands under one roof to increase its proximity with end consumers and build brand loyalty.
- HealthActiv was impacted by the depreciation of the Mauritian Rupee and higher freight costs. However, with preventative healthcare growing in importance since 2020, it saw major opportunities for growth. HealthActiv is in the final stages of finalising a partnership in East Africa for the distribution of pharmaceuticals. In parallel, it advanced on the development of its retail network, renovating its existing pharmacies with a more contemporary look and opening a new branch at Victoria Urban Terminal.
- Secured new international brands to strengthen its Wellness and Beauty value proposition.

Retail (through Winners)

Winners demonstrated great resilience during this challenging year, in spite of a drop in volume in its outlets located in touristic areas due to the closure of borders.

- Inaugurated the Victoria Station outlet in April 2022, revealing a new brand identity that reflects Winners' commitment to social and environmental sustainability. The pilot store, which covers 1,584m2 and features energy-saving systems and a greater variety of fresh produce, will serve as a model for the other 24 outlets. The response so far has been extremely positive and has enabled Winners to tap into new customer segments.
- With inflation eroding consumers' purchasing power, Winners is dedicated to living up to its promise of offering Mauritians the best value for money. It widened its range of affordable products from 450 references to 1,000 references, enabling consumers to continue purchasing the products they enjoy at 15% cheaper than their branded counterparts.
- Progressed on the new Tribeca Mall outlet, putting all the means necessary to launch by the end of 2022.
- Pursued the roll out of its ERP system across 20 additional outlets, standardising processes across the business and driving operational efficiency. A governance structure was set up to ensure effective change management among employees.

Outlook and priorities for 2022-23

Wholesale and distribution

All businesses in this segment are expecting costs to increase due to inflation and are reviewing the management of their supply chain to address potential disruptions.

- BrandActiv aims to increase the share of local brands within its portfolio of products, and address food insecurity in view of rising inflation. Building on its first inroad within the Indian Ocean Islands, it is seeking to consolidate its presence in those markets through new partnerships, and also penetrate the Kenyan market.
- Carry out digitalisation initiatives to increase proximity with consumers and customers, which will also increase brand exposure, build brand loyalty, and improve service levels and the customer experience.
- In keeping with the annual review and adjustment of its strategic plan, HealthActiv is evolving its strategy to focus on:
  - pharmaceuticals: optimise operational efficiency, leverage vertical integration and improve logistics capabilities;
  - healthcare technologies: consolidate relationship with suppliers, build technical capabilities and bring the latest technologies to market;
  - retail: roll out new MedActiv pharmacies in line with the new modern positioning, optimise operational efficiency and implement category management to improve ROI;
  - accelerate regional and international expansion: develop portfolio in Madagascar, Seychelles and Comoros, while improving distribution network in the Indian Ocean.

Retail

- Complete the renovation of the Curepipe outlet by May 2023.
- Open Tribeca by the end of 2022.
- Help consumers mitigate rising inflation by continuing to standardise processes to drive operational efficiency.

COMMERCIAL & DISTRIBUTION

Performance highlights in 2021–22	Outlook and priorities for 2022–23
Commercial engineering (through Blychem, Scomat, ServEquip and CMH) All four businesses in this segment generated profits during the year, which was complemented by them being classified as essential service providers during the lockdowns, as well as the resumption of business activity in Mauritius. · CMH captured market share in new segments, such as electrical cabling, which contributed over 10% of turnover for the year. · With increased demand from the agricultural sector, Blychem's agricultural department performed better than expected. In line with the group strategy, Blychem and CMH are exploring eventual options to take their first steps into Kenya.	**Commercial engineering** · Maintain growth momentum. · Drive change towards service excellence and enhance learning and development for employees. · Continue efforts to be the supplier of choice in the various industries that we service.
Beverages (through Phoenix Beverages) Although PBL was impacted by the significant rise in the cost of raw and packaging materials, logistics and exchange rate fluctuations, it managed to grow its turnover by 14.6% over the previous year and still deliver profits. These positive results were driven by several initiatives: · Sales volumes in Mauritius and Reunion grew by 6.2% and 2.5% respectively; · Launch of a new craft beer under the brand 'Manawa'. This forms part of PBL's ongoing commitment to innovating, deepening its know-how and diversifying its portfolio.	**Beverages** · With demand for beverages showing promising signs, PBL will continue its quest to further grow its portfolio and diversify its geographical footprint by exploring international expansion opportunities.
Industrial supply (through Intergraph) Intergraph had a satisfactory performance despite facing pandemic-related challenges in its international markets. Its various suppliers have been heavily impacted by disrupted supplies of raw materials, which called for a 30% increase in stocks. Its operations in Reunion Island recorded operational losses due to exceptional costs incurred to counter supply chain and labour issues, a situation which was worsened by a local printing company filing for bankruptcy. Yet, it delivered on several major initiatives: · Expansion of regional footprint in the offset printing segment by representing Heidelberg in four additional countries (Ethiopia, Eritrea, Djibouti and Somalia), as well as Müller Martini in two others (Sudan and South Sudan). · Delivered a first project in Madagascar for the production of school books. · Expansion of commercial activities in Central Africa (Republic of the Congo, Democratic Republic of the Congo and Rwanda) and Ethiopia through local partnerships. Intergraph now has local networks to further develop its activities in these regions. · Opening of a new permanent "Customer Service Centre" in Pailles in November 2021, as well as in Reunion Island, both designed to enable customers to learn about new products, run tests, and receive training in the use of EPSON and Graphtec printing equipment. These centres have increased Intergraph's visibility to the market and enabled it to capture new market shares in Mauritius, Reunion Island and Mayotte. · Training for Intergraph's technical teams on digital equipments was carried out concurrently and directly with its manufacturers such as Epson and VUTEK.	**Industrial supply** · Establish its leading position in East and Central Africa by leveraging newly formed local partnerships. · Continue to develop activities in the printing and packaging of school books in Madagascar. · Strengthen the digital printing business in Mauritius, while supporting the development of local packaging and traditional printing in light of the ban on single-use plastic. · Capture market share in the digital printing business in Reunion by addressing the growing demand for sophisticated technologies and equipment. · Continue exploring new technologies, accessories and services related to the industry, while closely monitoring challenges relating to energy costs, the low availability of paper on the market and higher freight costs.

Link to IBL Group risks

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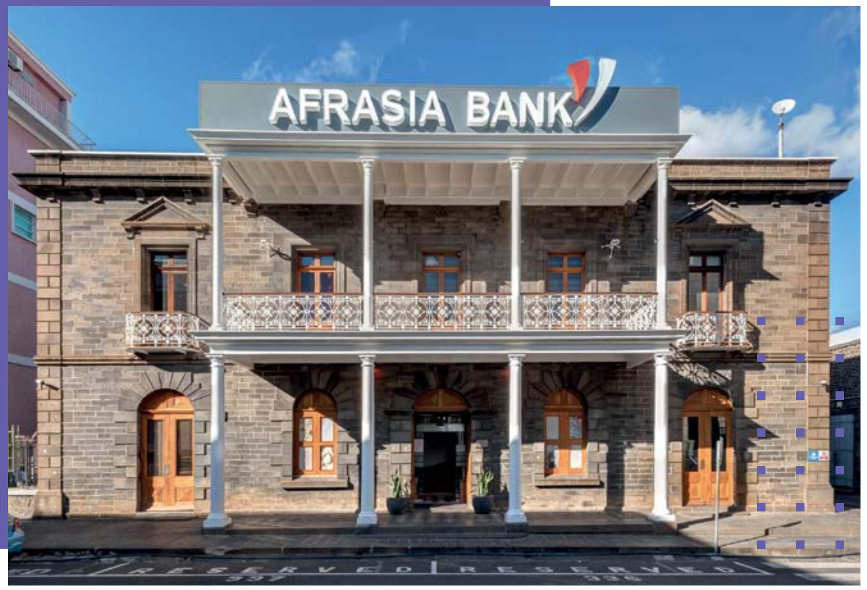
Link to IBL Group strategy

FINANCIAL SERVICES



Performance overview

The removal of Mauritius from the EU's blacklist brought major relief to the financial services sector, which will bode well for the country's reputation as a trusted jurisdiction for investors. In addition, the resumption of business activity post-Covid supported the recovery of the cluster, with most businesses performing significantly better than last year. However, the scarcity of workforce, rising inflation and the fear of a global recession are of concern for next year.

Key figures

Revenue

Rs 2,352m

FY2021: Rs 2,099m

Operating profit

Rs 210m

FY2021: Rs 145m

Sustainability initiatives/projects

- The Bee continues to provide strategic and commercial support to its portfolio company, Regen, a waste management firm with a mission to reduce waste at hotels.
- Ellgeo Re is a signatory to the Nairobi Declaration on Sustainable Insurance. This signatory status demonstrates its commitment to integrating sustainability aspects in the conduct of its business and supporting the achievement of the Sustainable Development Goals (SDGs).
- Eagle Insurance is working with IBL's sustainability team to develop a strategy with a series of impactful initiatives.
- As a leading financial institution in the promotion of sustainable practices in Mauritius, AfrAsia Bank continued to explore innovative products and investment offerings that incorporate Environmental, Social and Governance (ESG) principles, thereby contributing to the transition to a low-carbon future. Green products were introduced to this end: a Green Loan, devised through a green line of funding of EUR 10M obtained under the SUNREF Programme; and a Green Car Loan, specifically designed for eco-friendly car choices, helping individuals and corporates embark on their sustainability journey.

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Banking (through AfrAsia Bank) · Despite facing a shortage of foreign currencies on the market, AfAasia Bank generated higher revenues and profits than the previous year. This commendable performance was mainly driven by a low but rising interest rate environment, lower impairment losses, and a significant growth in trading income and deposits. · IT committee to support the delivery of our digital transformation agenda. The committee is reviewing existing systems to determine the best technology investments for our future needs.	**Banking** · Complete the selection process for new Board and Executive team members, ensuring we have the right resources and talent in place to deliver on our ambitions. · Replace IT systems to drive efficiency and transform the customer experience.
Global business (through DTOS) Overall, DTOS performance better than the previous year in spite of a significant increase in its staff costs. · Continued our regional expansion. Our offices in the UAE are fully operational and gaining good traction in the market. · Increased business activity from existing clients, coupled with a greater level of interest from prospective clients, are encouraging signs. · Successfully took over the Registry business from Harel Mallac, and our compliance and regulatory services (delivered through In Conformita) are starting to pick up.	**Global business** · Now that travel has resumed and economic activities have picked up, DTOS aims to reinforce its business development activities to engage with existing dormant clients and acquire new ones. · Continue our expansion in the region in view of being closer to clients, while offering a choice of jurisdiction where they can set up their structures. · Pursue employee engagement initiatives to further improve the work environment and prospects for team members.
Insurance (through Eagle Insurance) · Achieved improved technical results, driven mainly by a turnaround in the Motor segment. On the other hand, our investment portfolio was significantly impacted by the pull back from global financial markets, which reduced its overall profitability. · Premiums for most classes of business increased satisfactorily, resulting in an overall increase in gross written premium over the previous year. · Progressed on our digital transformation journey, having selected a provider for a new core insurance system and recruited a senior office to spearhead the various transformative and IT initiatives.	**Insurance** · Implement the new insurance system, while ensuring there is no disruption to the ongoing business. · Maintain our rigorous underwriting practices and diligent claims processes to maintain strong technical results. · Roll out our commercial strategy with a focus on the retail segment.
Insurance brokerage (through City Brokers) · Very good performance as a result of a higher turnover and lower expenses. · Turnover improved largely owing to a more focused and targeted business development approach. · Several key departments (Claims & Health) were reinforced with additional team members to provide improved service to clients.	**Insurance brokerage** · Continue to improve client offering by providing a holistic suite of products and services to SMEs and individual clients. · More focused attention will be given to the Health and Financial insurance classes, delivered by dedicated senior members of staff.
Reinsurance brokerage (through EllGeo Re) · Recorded an improved performance over FY2021, building on its fairly stable performance over the past two years, both in terms of revenues and profits. · In line with our main ambition to develop internationally, we set up an operation in Kenya in collaboration with J W Seagon group, a local insurance brokerage company. The company was recently licensed and has kicked off its activities in East Africa.	**Reinsurance brokerage** · With the opening of its Kenyan offices, Ellgeo Re plans to leverage its presence to acquire new clients in East Africa. A business development plan will be developed to promote our services in the region.

FINANCIAL SERVICES

Performance highlights in 2021–22	Outlook and priorities for 2022–23
Private equity (through The Bee Equity Partners) · Delivered very good returns over the year, mainly as a result of the increase in the value of the investment portfolio principally led by its building materials subsidiary, FAST. · Despite the reopening of borders, the performance of its film production investee, Identical Pictures, continued to be impacted by lower levels of rebates being awarded to international film producers under the Mauritius Film Rebate Scheme. · In June 2022, The Bee made the decision to discontinue its investment activities and approved a new strategy to dispose of all the assets of the company.	**Private equity** · In view of our change in strategy to discontinue Private Equity investments, the focus will be on the gradual disposal of current investments, subsequently distributing the corresponding net proceeds to its shareholders.
Asset management (through Ekada Capital) · Following its unbundling from AfrAsia Bank in 2021, EKADA Capital pursued the development of its strategy of offering independent investment solutions to High-Net-Worth Individuals and institutional clients. We reviewed our business model and are seeking strategic partners to expand our market share domestically and internationally.	**Asset management** · Gain a strong foothold in the domestic market and grow the Collective investment schemes (CIS) segment.

Link to IBL Group risks
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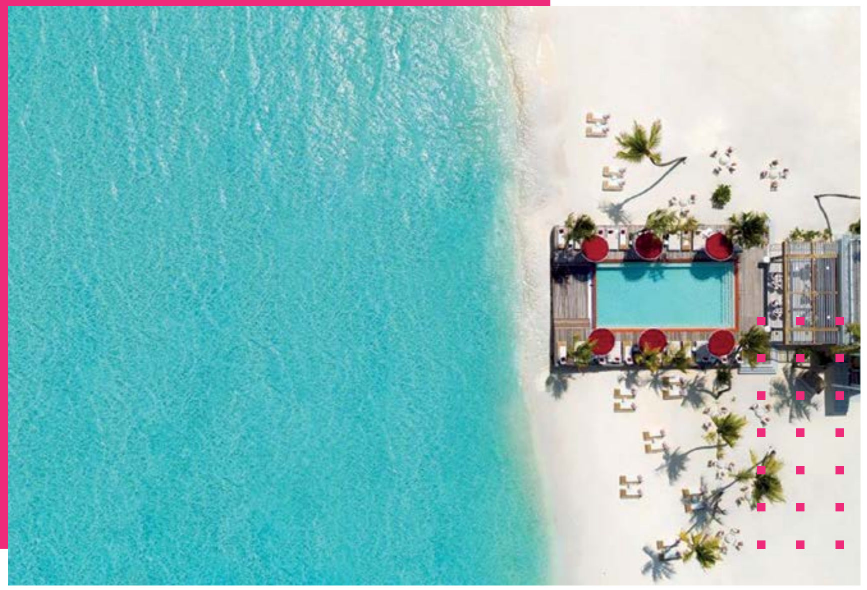
Link to IBL Group strategy

HOSPITALITY & SERVICES



Performance overview

The cluster rebounded strongly this year and returned to profitability, largely driven by high occupancy levels in Reunion Island and Maldives, and the full reopening of Mauritian borders in October 2021. Besides China, tourist arrivals from all destinations continue to grow and the cluster's luxury properties have a strong value proposition that caters to the sustainability and wellbeing demands of the new traveller. A major highlight this year was the successful launch of LUX* Grand Baie, the brand's flagship hotel.

Key figures

Revenue

Rs 7,210m

FY2021: Rs 2,071m

Operating profit

Rs 1,590m

FY2021: Rs (973)m

Sustainability initiatives/projects

- **Towards net-zero emissions:** 'Tread Lightly' flagship initiative taken beyond carbon offsetting to align operations with the science-based target initiative (SBTi) guiding principles.
- **Zero food waste:** LUX* Le Morne achieved the highest All-Star ranking during The Pledge Certification audits, while LUX* Belle Mare obtained the Silver status.
- **Cleaner energies objectives:** Collaboration with IBL Energy for LUX* Le Morne photovoltaic project.
- **Responsible Consumption & Production:** Contribute to resilience of communities and environment around us by sourcing ethical products from shorter distances, integrating them in our supply chain.

Performance highlights in 2021-22

Property holding and asset management (through LIR)

- Performed extremely well, despite a mass cancellation of bookings in Mauritius in November following the island's classification as a 'scarlet red' zone by France.
- Despite the stringent Covid-19 protocols, LUX* Saint Gilles achieved an occupancy of 68% and a positive operating profit thanks to strong demand from the domestic market.
- Maldives benefitted from competing destinations (Mauritius and Bali) being closed and saw an eightfold increase in tourist arrivals over 2020 despite the closure of China's borders, one of its key markets. LUX* South Ari Atoll recorded a 73% occupancy rate and contributed to over 38% of LIR's profits during the year.
- Mauritius benefitted from the phenomenon of 'revenge tourism' following the reopening of borders in October 2021: after two years of restricted movement, tourists are increasingly opting for 5* hotels, and both the average length of stay and spend per guest have increased by 17% and 20% respectively. It is worth noting that all LUX* hotels are positioned at 5* or 5* plus and cater to different segments within the luxury market.
- Continued to refurbish properties to improve their competitiveness: completed the construction of LUX* Grand Baie in December 2021. All 29 villas and residences have been successfully sold and handed over to owners, generating Rs 319m in profits for the year under review.
- Refurbished LUX* Le Morne and made strides in the Zero Food Waste pledge, strengthening its sustainability value proposition. The response has been extremely favourable, with REVPar increasing by 16%.
- A fire broke out at LUX* Belle Mare in July 2022. The hotel's teams reacted quickly to safely evacuate guests, and no injuries were reported. However, 130 rooms, the 12 villas and most of the public areas were damaged. Its full impact will be felt in FY 2023.

Hotel management (through TLC)

- TLC's performance exceeded expectations for the year.
- Continued pursuing an asset-light strategy by focusing on securing third-party management contracts:
  - SALT of Palmar improved its performance over the previous year, even after the first few months of island closure.
  - Despite China's Zero-Covid policy, our hotels welcomed domestic guests and the teams actively sought out new properties, resulting in two new management contracts: LUX* Tea Horse Road Emei and LUX* Wenzhou.
  - Signed two management contracts in the UAE.
- Progressed on the construction of LUXNAM* Vietnam, with the opening scheduled for Q3 2024. (Note: the brand name had to be adjusted due to an existing trademark registered in Vietnam).
- Opened LUX* Grand Baie in December 2021, the group's first greenfield property and LUX* flagship hotel.
- Lost a management contract for North Malé Atoll in the Maldives following the sale of the property to an acquirer that already owned a hotel management company. On the upside, TLC benefitted from a one-time compensation, which largely improved its balance sheet.
- Set up a Global Financial Response team, whose role is to monitor, address and mitigate the impact of the current and future financial crisis.

Outlook and priorities for 2022-23

Overall cluster

- The cluster is entering the new year in a strong financial position and expects to pursue its growth momentum. Tourist arrivals in all destinations look promising, with Maldives expecting 1.6 million tourists and Mauritius targeting targeting 1.4 million tourists for the financial year ending 30 June 2023. Emirates increased flight frequencies to Mauritius, which will bode well for tourism on the island.
- However, the hospitality sector is facing several challenges: air connectivity and seat availability are not yet sufficient to meet the demand in Mauritius. The ongoing labour shortage in tourism is a major cause for concern, and the war in Ukraine is likely to affect tourist arrivals from Europe, a primary market for the cluster.

Property holding and asset management

- Rebuild LUX* Belle Mare and prepare to reopen the hotel in the second half of 2022 in time for high tourist season.
- Improve IT and operational excellence, and move towards becoming cashless in line with global trends.
- Continue seeking out opportunities to diversify our portfolio into new destinations.

Hotel management

- With rising inflation and hotels being considered discretionary expenditure, the cluster expects the second half of the year to be challenging. It is therefore focusing on making a strong case for its properties by:
  - Enhancing the strength all four brands, with an emphasis on LUX*.
  - Maximising the performance of managed properties across Mauritius, Reunion, Maldives and China by enhancing service standards and personalising the guest experience.
  - Anchoring the positioning of LUX* Grand Baie as the leading luxury resort in Mauritius and in the Indian Ocean.
  - Continuing to manage costs intelligently and with prudence.
  - Deepening our analysis of our current markets to attract new customer segments.
- Return SALT of Palmar (previously under voluntary administration) to profitability.
- Open LUXNAM* Vietnam in Q3 2024.
- Continue to seek out new management contracts.

Link to IBL Group risks

2 3 4 7 8 9 10 11 12 13 14 15

Link to IBL Group strategy

LIFE & TECHNOLOGIES

Performance overview

Despite operating in a Covid-dominated environment for over half the year, affecting some of CIDP's subsidiaries and IBL Link's investees, the cluster made significant strides in delivering on its local and regional strategy. It formed strong strategic alliances that broadened the scope of its activities in healthcare and technologies, providing further impetus to the group's regional ambitions in these areas.

Key figures

Revenue

Rs **409**m

FY2021: Rs 308m

Operating profit

Rs **(32)**m

FY2021: Rs (8)m

Sustainability initiatives/projects

Sustainable practices are considered while setting up all Life Together activities, with special attention paid to waste management.

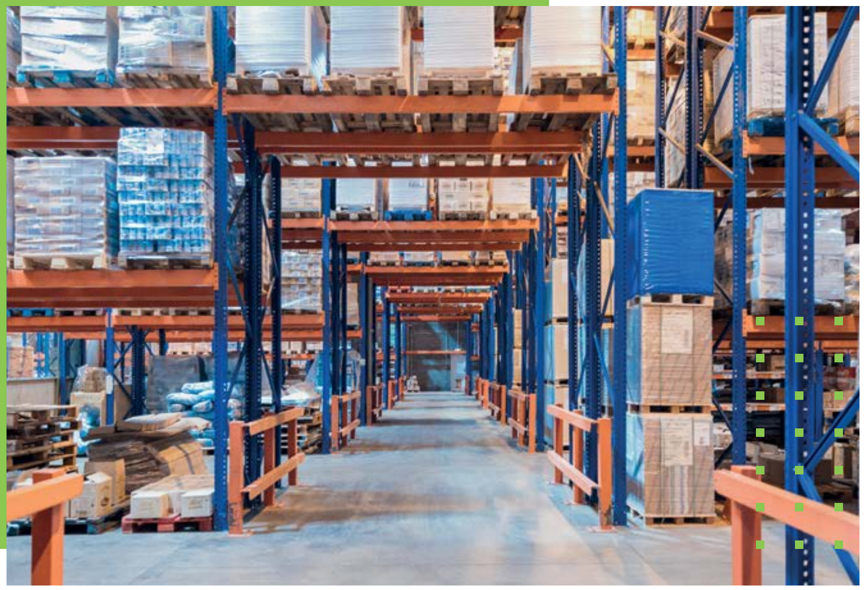
Performance highlights in 2021-22	Outlook and priorities for 2022-23
Life Sciences and Healthcare & Wellness (through Life Together) · Launched Life Together, which solidifies the group's commitment to life sciences and quality healthcare. It differentiates itself by its unique approach to patient care, by designing a unique healthcare and care pathway, while addressing needs and treatments with compassion and dignity. In doing so, it aims to position itself as a lifelong health and wellness partner. ***Research & Development activities*** · CIDP performed extremely well in Romania and honourably in Mauritius. However, its Brazilian and Indian subsidiaries continued to be impacted by Covid-19. · Acquired 50% of Panacea Pharma Ltd and began implementing its new strategy locally and internationally. ***Health and Wellness activities*** · Advanced on the construction of HealthScape at Forbach with the addition of: – Life | Viva Ambulatory clinic, a day-care facility offering an outpatient surgery and care unit, with the aim of reducing patients' time of hospitalisation; – Life | Hospital at Home, the first of its kind to offer home care services in replacement of traditional hospitalisation in Mauritius. This innovative model provides hospital-level care with qualified staff in a patient's home; – Acquired 100% of Novalab Medical Ltd, a biomedical laboratory. · Progressed on the construction of Life | C+S and Life | Viva Ambulatory clinic in the Smart and Happy Village of Cap Tamarin. This forms part of Phase I of a new Health and Wellness offer by Life Together on the West Coast, which aims to provide quality treatment and care to the patient. The project is being developed in collaboration with Bloomage and Trimetys. · Finalised the acquisition of a 36.75% stake in NCBP Holding, the main shareholder of Clinique Bon Pasteur, which represents a major milestone on Life Together's healthcare journey. Its strategy is to ally itself with partners who share its values and vision for more humane healthcare. This is reflected in Life Together's core value, 'People caring for people'.	**Life Sciences and Healthcare & Wellness** · Open Life | C+S Health Diagnostic and Life | Viva Ambulatory clinic in Cap Tamarin by the first quarter of 2023. The next phases of development, which are expected to begin in 2023, will include a full-fledged hospital and a medical retirement home for seniors in Healthscape and Tamarin. Soaring construction costs are being closely monitored, as they may hinder construction plans. · Continue seeking out partnerships with experts in the medical and healthcare fields, who embody strong human values and a professional approach.
Investment and venture capital activities (through IBL Link & IBL Link Investments) · Created DotExe Ventures and started building strategic partnerships and competencies for the setting up and management of a Venture Capital fund to invest in African startups. In collaboration with 4Di Capital, a South African early-stage technology venture capital firm, '4Di DotExe Fund I' is in the process of being created and will be building a portfolio of promising tech startups in Eastern and Southern Africa. The investment strategy has been developed and portfolio management activities will begin upon receiving regulatory approval for the fund. · IBL Link's portfolio of companies performed better than last year: – GWS Technologies became a Google Ads Premier Partner for demonstrating its skills and expertise in digital marketing. It realised a record year showing growth both in the top and bottom line. – Universal Media experienced a 16% growth in income following the slow but sustained increase in advertising spending across industries. – Priceguru remained impacted by the drop in hire purchase and inflation. Despite this, turnover grew by 18% compared to the previous year.	**Investment and venture capital activities** · Deliver on the investment strategy upon obtaining the regulatory approval to launch the fund. As relatively new entrants in the technological space, IBL Link aims to deepen its digital literacy to add value to its investees' tech businesses and seize opportunities from increasing dead flow.

Link to IBL Group risks

7 8 11 13 14

Link to IBL Group strategy

LOGISTICS



Performance overview

The worldwide opening of borders and resumption of travel was favourable for the Logistics cluster, which returned to profitability. G2A onboarded new airline clients, Logidis diversified its warehousing activities into new food segments, and most businesses in the cluster adopted stringent cost control measures, which paid off and translated into positive revenues.

Key figures

Revenue

Rs 2,052m

FY2021: Rs 1,319m

Operating profit

Rs 68m

FY2021: Rs (27)m

Sustainability initiatives/projects

First cluster in the group to implement the Embedding approach and develop a cluster Rader. Three areas of priority were identified:

- **Climate** (decarbonisation project in progress).
- **ESG oversight with suppliers along the value chain**.
- **Governance and Ethics: Data protection and security.**

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Cluster · Overall, the cluster was impacted by the arrival of the Omicron variant in November 2021, shortly after the full reopening of borders. This affected business activities with South Africa and Reunion, two of the cluster's main markets, which both suspended flights to Mauritius. Activities only picked up in February 2022.	**Cluster** · Implement projects relating to the three priority areas arising from the cluster Radar, and leverage synergies between BUs.
Warehousing and distribution (through Logidis) · Logidis performed below expectations during the year. Having invested in additional storage capacity to cater to increased demand for frozen and chilled products, Logidis found itself with an oversupply of storage space against low occupancy levels. Business costs increased sharply by 8% as a result. · Consolidated two warehouses in Riche Terre for increased efficiency. · As planned, Logidis onboarded new talent to fill critical positions in warehousing and transport. Emphasis is being placed on leveraging the new team's strengths to enhance service levels, drive operational efficiency and improve customer relationships. · Implementation of a Passenger Management System for corporate passenger services, optimising the planning of routes and length of trips. 100% of customers have been onboarded onto the system. (See case study on page 95).	**Warehousing and distribution** · Continue reducing costs and focus on business development to ensure occupancy in both warehouses. · Scale up Logidis' Passenger business with a new Transport Routing System that will allow faster planning and the more efficient deployment of vehicles.
Aviation (through Ground2Air, IBL Aviation and Arcadia Travel) · Aviation activities picked up gradually during the first half of the year. The reopening of borders in October 2021 accelerated growth, with volumes reaching almost 60% of pre-Covid levels. · Managed to significantly reduce cost base for GSAs while maintaining high service levels, bringing all companies back to profitability. · Being asset-heavy and people-intensive, Ground2Air's ground-handling activities recovered positively, but at a slower pace. Major accomplishments include the renewal of two contracts with SAA and Air Seychelles, and the onboarding of South African carrier FlySafair in March 2022, making Mauritius the airline's first international destination. · Carried out training for 245 airport employees in Congo on safety and various operational tasks.	**Aviation** · With additional flights servicing Mauritius, the outlook is extremely positive. Aviation activities are expected to achieve revenues amounting to 70% of pre-pandemic levels. · Contain costs and ensure positive cash flow at Ground2Air and Arcadia Travel, as both businesses are still fragile following two loss-making years. · Extend training services to other airports in East Africa. · Explore smaller airports to manage in East Africa.
Shipping and freight forwarding (through Somatrans and IBL Shipping) · Somatrans performed extremely well, driven by a 122% increase in freight volumes, the ability to maintain high service and network levels, and the acquisition of new clients in the food business. It also successfully delivered two projects for other IBL clusters (Imports for LUX* Grand Baie and the setting up of labs for IBL Life & Technologies). · Increased number of marine surveys (inspection of marine vessels) by 176% and transportation of vehicles by 79%.	**Shipping and freight forwarding** · Introduce other value-added surveys beyond marine surveying. · Enhance Somatrans' system with new features and develop a mobile app to follow freight movements. · Pursue 'Up Your Service' training to improve the customer experience.

Link to IBL Group risks

1 2 3 4 5 7 9 10 12 13 14

Link to IBL Group strategy

SEAFOOD

Performance overview

Despite the challenges of factory closures during lockdowns, quotas for yellow fin, shipping delays, soaring freight costs, an increase in the price of cooking oil with the war in Europe and a shrink in the food service business in Europe, the Seafood cluster reported very good results overall, driven by an improved operational performance in Mauritius and Ivory Coast.

Alongside this, the cluster continues to participate in policymaking to ensure the social and economic sustainability of the sector.

Key figures

Revenue

Rs **1,547**m

FY2021: Rs 1,556m

Operating profit

Rs **303**m

FY2021: Rs 306m

Sustainability initiatives/projects

Officially launched the Sustainable Tuna Association in November 2021, in collaboration with PTM. This forms part of the cluster's continued commitment to ensure the long-term viability of Indian Ocean stocks, and protect the thousands of jobs that depend on it. This association brings together Mauritian players in the seafood sector, who are all engaged in the fight to safeguard the Indian Ocean's fishery resource.

Performance highlights in 2021-22	Outlook and priorities for 2022-23
· Progressed on its Future Fit Talent Journey, a leadership development plan designed to build a pipeline of future-ready leaders. It offers coaching plans tailored each participant, aligned with business objectives. After carrying out sessions with a first group, the programme is now being deployed for other talents in the cluster. · Achieved ENPS scores as high as 94 in one entity, which are commendable for the manufacturing industry. · In line with its strategy to diversify into co-products, it launched a fish soluble product for aquaculture and pet food. Having received very positive response, production volumes are being ramped up for this product. · Also onboarded two new suppliers in the fish processing industry, aiming to recuperate their waste and transform them into revalorised finished products for the specific market. · Performed well in the cold storage segment in Mauritius. FDM now stores a higher volume of produce for PTM, its key customer. · Internationally, MBP Côte d'Ivoire delivered better results than expected. Its profitability level has progressed to a very satisfactory level, with stronger demand for its fish oil and fishmeal products both locally and overseas. · Opened a second QUAI D outlet, which offers high-quality fresh fish directly from the fisherman to the end consumer. · Successfully implemented a new ERP system at FDM, leading to improved data management and operational efficiency. New ERPs are now being deployed at MBP and Cervonic. · Launched the Sustainable Tuna Association in November 2021 with the twin goals of promoting the sustainability of tuna stocks in the Indian Ocean, and protecting employment in the sector. · IBL's and Green Create's investment in Energie Des Mascareignes (EDM), a waste-to-value plant, will further support the cluster's impetus towards sustainability, as biogas from this plant will be used across the value chain to produce steam and reduce its environmental impact by an estimated 12,500 MT of CO^2 per year. · New opportunities are being explored on the African continent.	· Pursue its diversification strategy by introducing additional by-products to the market. The cluster aim to expand its market share in pet food and deepen its knowledge of existing products to increase returns. · Lend its full support to the upstream business (processing and canning) and increase collaboration to strengthen its position in this competitive segment. · Pursue its commitment to sustainable tuna management in the Indian Ocean, especially ahead of the next Indian Ocean Tuna Commission (IOTC) meeting taking place in Mauritius in 2023. · Develop an investment strategy for refined marine ingredients. · Further entrench its position as the preferred cold storage supplier specialising in fish in Mauritius. · Achieve better returns in the Ivory Coast operations. · Pursue regional and international growth opportunities. · Design coaching and development plans for supervisory-level employees, with the goal of imparting leadership skills at all levels. The Future Fit Talent Journey remains an important driver of the cluster's success. · Deliver on the next phase of ERP implementation in other business units.

Link to IBL Group risks

2 5 6 7 8 10 13

Link to IBL Group strategy

PROPERTY

Performance overview

Despite the delayed approval of the Smart City Certificate, which deferred revenue recognition to the next financial year, the cluster generated higher revenues than FY2021. This was driven by BlueLife's ability to maintain high occupancy rates and complete the sale of Radisson Blu Poste Lafayette, and Bloomage's ability to retain tenants and materialise rent escalations, while also improving the overall occupancy of its portfolio.

Key figures

Revenue

Rs **707**m

FY2021: Rs 421m

Operating profit

Rs **64**m

FY2021: Rs 9m

Sustainability initiatives/projects

- Working towards obtaining LEED and/or other green certifications for ongoing and future developments.
- Implementation of a Smart Water Metering and Management System at Azuri (in progress).

Performance highlights in 2021-22	Outlook and priorities for 2022-23
Property development (through BlueLife) · Operated in a more favourable environment than the previous year, thanks to the reopening of borders, which allowed for prospective foreign buyers to resume their visits. This resulted in the dynamism of the rental, resale and sale of properties at Azuri, with an exceptional number of rented properties and resales in FY2022, and 100% reservation contracts on the sale of new projects. · Sold Radisson Blu Poste Lafayette as part of its plan to financially restructure its hotel activities. The shareholders' loan in Azuri was also restructured, resulting in reduced debt and the ability to support BlueLife's capital needs. · Successfully obtained the certification for Azuri Smart City in June 2022. This will bring major fiscal benefits to BlueLife's future developments, all of which will be shifted under the Smart City Scheme. Having received the certification later than expected, the deeds of sales were also signed later, delaying the recognition of revenues from this segment to FY 2023. · After developing a new 15-year masterplan for Azuri last year, its value proposition as a Wellness destination was strengthened. The offering will be centred on a sustainable and health-based lifestyle, aligned with consumers' growing health and environmental concerns.	**Property development** · Complete the financial restructuring of Radisson Blu Azuri, and progressively exit the hospitality segment to focus on its core strengths. · Begin construction of Azuri Smart City, for which revenues are expected to be recognised in FY2023. BlueLife aims to deliver on the following projects to firmly position Azuri as a Wellness destination: – Opening of Azuri's golf course "The Nine" in October 2022; – Construction of various residential projects starting September 2022; – Development of a Wellbeing value proposition for Quartier du Barachois; – Creation of additional F&B outlets; – Focus on service excellence with a training programme delivered through Azuri Services; – Have the Smart Water Metering and Management System operational by December 2022.
Investment and asset management (through Bloomage) · Despite the challenging market conditions and inflationary pressures, Bloomage continued to provide commercial support to tenants on a case-to-case basis, leading to the retention of most tenants and the maintenance of a consistent cash flow. · Pursued its investments in development projects, including a premium office in Moka and a medical and wellness centre in Tamarin. Both are currently under construction. · Currently working on a pipeline of projects both locally and in East Africa in the priority asset classes.	**Investment and asset management** · Continue to provide best in class service to tenants. · Complete all ongoing development projects and aim to start operations in the coming financial year. · Progress on the pipeline of projects, including in East Africa, and convert the opportunities that offer the best strategic fit and returns. · Work towards the implementation of PV panels for electricity generation on existing properties, subject to receiving clearance from the CEB.

Link to IBL Group risks

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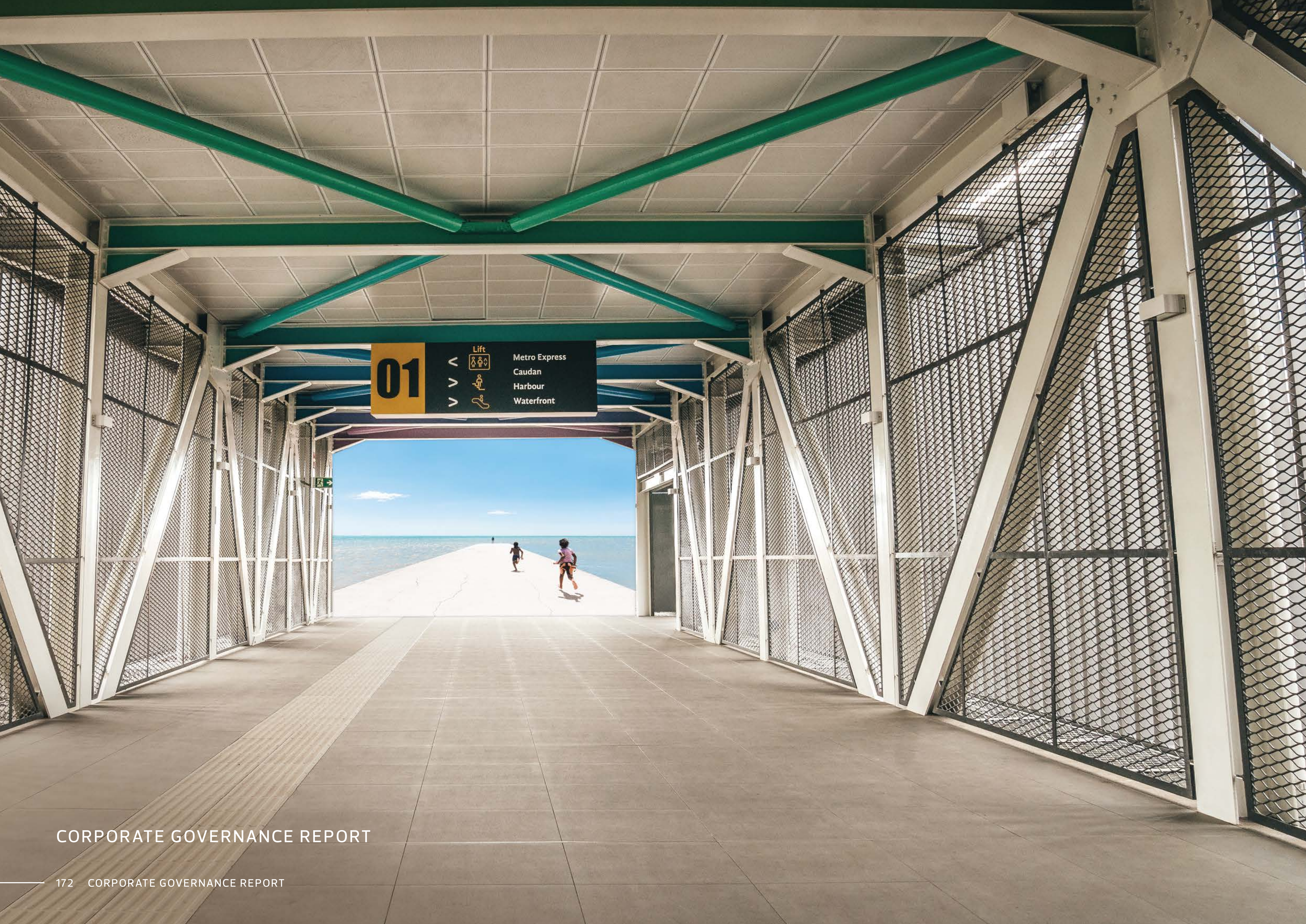
Link to IBL Group strategy



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

INTRODUCTION

IBL Ltd ('IBL' or the 'Company'), a public interest entity as defined by the Financial Reporting Act 2004, has applied the principles of the National Code of Corporate Governance (2016). The corporate governance report sets out how the Code's principles have been applied and reflected throughout IBL. Good governance is at the heart of IBL and is crucial to the Company's success and its ability to deliver on its strategy.

This report, part of IBL's Integrated Report for 2021-2022 is also available on IBL's website: www.iblgroup.com

GOVERNANCE STRUCTURE

Governance Charter

IBL's governance structure is set out in its Governance Charter. The Charter defines the role, function and objectives of the Board of Directors, Board Committees, Chairman, Group CEO and senior executives. It also sets out how they interact in order to promote efficient, transparent and ethical functioning/decision-making processes within the group. In the same spirit, the IBL Share Dealing Policy has been approved and signed by all the Directors and Senior Officers of IBL.

In accordance with good governance practices, the Board ensures that regular Board meetings and management committee meetings are held throughout the group. The composition of the Boards of the main subsidiaries of the group is reviewed by IBL's Corporate Governance Committee (which also acts as Nomination and Remuneration Committee). The Board of IBL subsequently designates its representatives on the Boards of these subsidiaries.

The Governance Charter and the IBL Share Dealing Policy are available on IBL's website: www.iblgroup.com

Code of Business Ethics

A Code of Business Ethics, which also includes whistle blowing procedures, was last reviewed and approved by the Board on 3 June 2019. The Board has strongly encouraged and recommended the companies of the group to make use of the spirit of this Code when adopting their own Code of Ethics.

The Code is available on IBL's website at www.iblgroup.com

Constitution

IBL's Constitution complies with the provisions of the Mauritian Companies Act 2001 and the Listing Rules of the SEM. There are no clauses of the Constitution deemed material enough requiring specific disclosure.

A copy of the Constitution is available on the website at www.iblgroup.com

Organisational chart and Accountability Statement

A governance structure and organisational chart for IBL reflecting the key senior positions and the reporting lines within the group is set out in the section "Leadership" (page 42) of the Integrated Report.

THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Board

IBL is led by an effective and highly committed unitary Board comprising 14 independently minded Directors (including 2 female Directors) out of which, 4 are Independent non-Executive, 8 are non-Executive and 2 are Executive Directors. The Board considers that given the size of the Company, its current scope of activities and geographical spread of operation, the current Directors have the adequate set of expertise. They are of appropriate calibre and have the appropriate mix of core competencies, knowledge and diversity to manage the Company in an efficient manner in order to achieve the objectives and implement the strategy.

The Board assumes responsibility for leading and controlling the Company and for ensuring that all legal and regulatory requirements are met. It plays a key role in determining the Company's direction, monitoring its performance and overseeing risks. It is collectively responsible for the long-term success of the Company.

Profiles of directors and details of external appointments

Directors' profiles (Page 36), including details of their appointments in listed companies, have been disclosed in the section "Leadership" of the Integrated Report.

Board and Directors' roles and responsibilities

Chairman

- Provides overall leadership.
- Ensures smooth functioning of the Board.
- Encourages active participation of each Director in discussions.

Non-Executive Directors

- Monitor the delivery of the agreed strategy within the risk and control framework set by the Board.
- Constructively challenge the Executive Directors and the management of the Company.

Executive Directors

- Responsible for the day to day running of the Company's operations.
- Leads and directs senior management to implement the strategy and policies set by the Board.

Company Secretary

- Provides assistance and information on governance and corporate administration issues.
- Guides the Board on the Directors' statutory duties under the law; disclosure obligations; listing rules and corporate governance requirements and effective Board processes.

Notes:

1. *The 4 Independent non-Executive Directors are considered independent based on the independence criteria set out in the National Code of Corporate Governance for Mauritius. The Independent Directors have not been employees of the group within the past three years nor do they have a material business relationship with the Company either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company.*
2. *A majority of the Directors do not have a relationship with the shareholders holding more than 5 % of the Company's shares.*

CORPORATE GOVERNANCE REPORT

The Company Secretary

IBL Management Ltd comprises a team of experienced company secretaries providing support and services to the companies of the group. As governance professionals, the company secretaries guide the Boards on corporate governance principles and on their statutory duties and responsibilities. In its advisory role, the Company Secretary provides support and advice to companies of the group on corporate transactions/projects. The Company Secretary is responsible for the efficient administration of a company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that Board decisions are implemented.

Board meeting process

Beginning of the year	· Planning for Board Meetings for the ensuing year is set by the group Corporate Secretary.
Setting of agenda	· Draft agendas for the Board are finalised by the CEO and the Chairman prior to each meeting. · Agendas are finalised at least one week before the scheduled date of the meeting.
Before the meeting	· Agenda and all relevant Board papers are sent to the Directors one week before the scheduled meeting. · Necessary arrangements (video conferencing, etc) are made for those Directors not able to be physically present.
Board meeting	· Regular matters such as the review of activities of the various clusters of IBL or reports from the Committee Chairpersons are discussed.
After Board meeting	· Minutes are produced and sent to the group CEO and Chairman for review and comments prior to circulating these to the Board. · Follow-up on certain Board decisions (update of authorised signatories, etc.) are then ensured by the Company Secretary.

The Board in 2021-2022

The composition of the Board as at the date of this report is as follows:

Name	Status
Jan Boullé	Non-Executive Chairperson
Martine de Fleuriot	Non-Executive Director
Isabelle de Melo	Non-Executive Director
Richard Arlove	Independent Non-Executive Director
Jean-Claude Béga	Executive Director
Georges Desvaux	Independent Non-Executive Director
William Egbe	Independent Non-Executive Director
Arnaud Lagesse	Executive Director
Benoit Lagesse	Non-Executive Director
Hugues Lagesse	Non-Executive Director
Jean-Pierre Lagesse	Non-Executive Director
Thierry Lagesse	Non-Executive Director
Gilles Michel	Independent Non-Executive Director
Jean Ribet	Non-Executive Director
Stephane Lagesse	Alternate Director (Thierry Lagesse)

Board changes as at date of this report:

Name of Director	Date of Appointment	Date of Resignation
Maxime Rey	-	30/06/2022
Georges Desvaux	01/07/2022	-
Pierre Guénant	-	19/09/2022
William Egbe	01/10/2022	-

During the year under review, the Board met 8 times. Below is a list of the main issues discussed at these meetings. Decisions were also taken by way of written resolutions signed by all the Directors.

Regular Agenda Items	· Review of operations of the different clusters. · Review of fair value of investments in major subsidiaries/associates. · Take note of the matters discussed in sub-committee meetings.
Financial Items	· Abridged audited annual financial statements and full audited financial statements. · Abridged financial statements for the first, second and third quarters. · Dividend declarations. · Budget 2021-2022. · Assessment of the cash flow.
Strategy	· Review of the various investment projects. · Review of the IBL's Beyond Borders strategy.
Governance	· Approval of the nomination of directors on the Board of IBL Ltd as well as on the various Boards of subsidiaries. · Approval of the Corporate Governance Report and Statement of Compliance. · Approval of the re-appointment of the Chairman of IBL Ltd. · Recommendation to the shareholders to consider the review of directors' fees.
Other matters	· Approval of communiqués/announcements as required by the relevant rules and regulations. · Review of several projects.

CORPORATE GOVERNANCE REPORT

Attendance in 2021-2022

Directors	28/09/2021	29/10/2021	11/11/2021	14/12/2021	26/01/2022	14/02/2022	08/04/2022	03/06/2022	Total number of meetings attended
Jan Boullé	✓	✓	✓	✓	✓	✓	✓	✓	8
Jean-Claude Béga	✓	✓	✓	✓	✓	✓	✓	✓	8
Martine de Fleuriot de la Colinière	✓	✓	✓	✓	✓	✓	✓	✓	8
Isabelle de Melo	✓	✓	✓	✓	✓	✓	✓	✓	8
Pierre Guénant	✓	✓	✓	✓	✗	✗	✗	✓	5
Arnaud Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	8
Benoit Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	8
Hugues Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	8
Jean-Pierre Lagesse	✓	✓	✓	✓	✓	✓	✓	✓	8
Thierry Lagesse	✓	✗	✓	✓	✓	✓	✓ [1]	✗	5
Gilles Michel	✓	✓	✗	✓	✓	✓	✓	✓	7
Maxime Rey	✓	✓	✓	✓	✓	✓	✓	✓	8
Jean Ribet	✓	✓	✓	✗	✓	✓	✓	✓	7
Richard Arlove	✓	✓	✓	✓	✓	✓	✓	✓	8

Note:

1. *Stephane Lagesse, Alternate Director to Thierry Lagesse, attended this meeting*

Board Committees

The Board is assisted in its functions by three main sub-Committees: (i) an Audit and Risk Committee, (ii) a Corporate Governance Committee, which also acts as a Nomination and Remuneration Committee, and (iii) a Strategic Committee. These committees operate within defined terms of reference and may not exceed the authority delegated to them by the Board. The sub-committees are chaired by experienced Chairmen who report to the Board on the issues discussed at each Committee meeting.

IBL Management Ltd, the Company Secretary also acts as secretary to the Board Committees. Each member of the Board has access to the minutes of Board Committee meetings, regardless of whether the Director is a member of the Board Committee in question or not.

Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibilities. It is the Committee's responsibility to review the integrity of the financial statements and the effectiveness of the internal and external auditors.

The Audit and Risk Committee Charter was last reviewed on 3 June 2019 and is available on the Company's website at www.iblgroup.com

Composition

The Committee is chaired by Richard Arlove, an Independent non-Executive Director. The other members of the Committee are Isabelle de Melo, Benoit Lagesse and Thierry Lagesse (non-Executive Directors). The Committee's meetings are also attended by the group CEO, the group CFO, the CFO – Group Operations, the Head of Internal Audit and the Head of Risk Management.

Attendance in 2021-2022

Directors	06/07/2021	04/08/2021	08/11/2021	03/02/2022	05/05/2022	16/05/2022	Total number of meetings attended
Richard Arlove (Chairman)	✓	✓	✓	✓	✓	✓	6
Thierry Lagesse	✓	✓	✓	✓	✓	✓	6
Benoit Lagesse	✓	✓	✓	✓	✓	✓	6
Isabelle de Melo	✓	✓	✓	✓	✓	✗	5

CORPORATE GOVERNANCE REPORT

Matters considered in 2021-2022

During the year under review, the Audit and Risk Committee met 6 times and the main issues discussed included:

Regular Financial Matters	· Abridged audited annual financial statements and full audited financial statements. · Abridged financial statements for the first, second and third quarters. · Dividend declarations. · Budget 2021-2022. · Group CFO's report.
Internal Audit Matters	· Considered the various reports of the Head of Internal Audit on the subsidiaries of the group.
Risk Management Matters	· Considered the IBL Group top risks and their trends. · Considered emerging risks. · Reviewed and validated IBL's Risk Appetite Statements.
Other matters	· Presentation by the external auditor on the key audit matters for the year 2021-2022. · Presentation by the external auditor on a valuation of investments within the group.

Information, information technology and information security governance

Information Technology Governance

Last year, an Information Technology Governance Framework was set up to align the Corporate Office, Business Units ('BU') and Group Companies ('GC'), which are those companies controlled through a shareholding of 60%, around a common set of best information technology practices and standards.

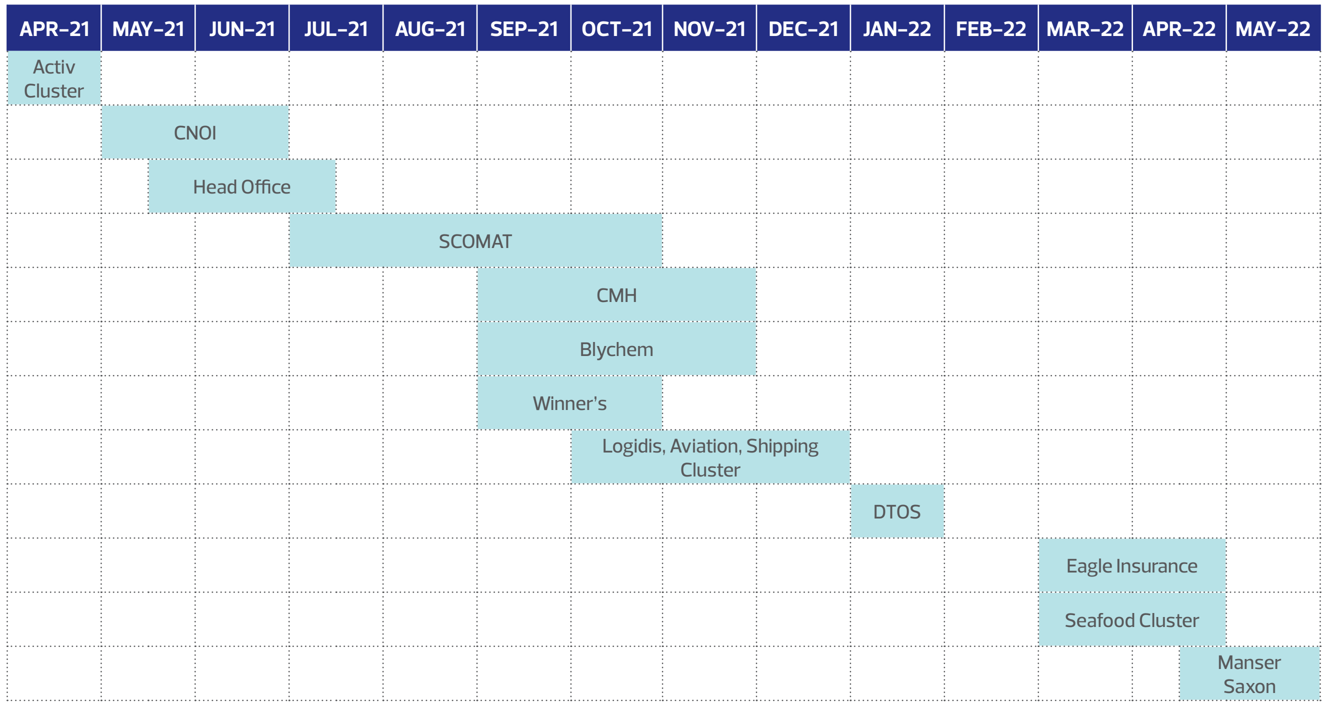
Assessing maturity levels

The first step in the implementation of the framework was an assessment of a first group of BU's and GC's to determine the level of maturity of each business in each domain of the framework. The exercise served to identify the gaps that needed to be addressed to achieve the desired maturity level for each individual business. The target maturity level for each domain was set to level 3 as per the Capability Maturity Model Integration (CMM-I) model with the criteria described below for each domain.

Governance & Strategy	Organisational structures for technology governance and responsibilities for technology strategy are well defined. Critical areas where technology performance measurement needs to be applied are identified and measured against. Stakeholders receive necessary communication around key IT objectives, strategy and decisions made. A formal technological innovation plan/programme is in place.
Resources	Management structures and responsibilities for technology are well defined. Processes and mechanisms are in place to ensure effective HR management practices within the organisation prior to employment, during employment and upon termination and effective knowledge creation, transfer and sharing.
Finance	Responsibilities and processes for IT cost and budget management, cost optimisation and vendor management are well defined. Vendors are identified and chosen based on pre-defined criteria. Benchmarks are identified and measurement of vendor performance is regularly conducted. Vendor risk management is taken into account.
Infrastructure & Operations	Responsibilities for IT asset management practices, enterprise architecture and IT operations are formalised. Availability and capacity management procedures are defined. The service desk including SLA's around incident and change management is in place, well understood and utilised across the organisation, acting as a single point of contact.
Application Portfolio Management	Application portfolio management responsibilities and practices are established.
Project Management	Project Management processes and governance are in place with project planning and relevant resources formally assigned to projects. Project risk is taken into account and is formally documented. Informational, functional and technical requirements gathering aligned to enterprise strategy is formalised. Responsibilities for organizational change management are assigned with mechanisms to ensure effective communication of changes within the organisation.
Data & Analytics	A data strategy has been defined. Responsibilities for data governance, business intelligence (BI) and reporting have been formally assigned in the organization. Data management training and awareness are provided to users. A current and future state data architecture is maintained in alignment with the overall enterprise architecture. Data quality is formally assessed, in alignment with the data strategy.BI & reporting tools are well adopted and integrated within various areas and systems across the company.
Security & Risks	A cybersecurity strategy aligned to overall technology and business strategies has been defined. Cybersecurity principles and policies are implemented. Technology risk management is in place with periodic reporting of plans and events. Critical elements and services within the entire business are identified, and measures are put in place to ensure its continuity during an adverse situation.

CORPORATE GOVERNANCE REPORT

A roadmap for the first round of maturity assessments of BU's, GC's and the Head Office was laid out in FY20-21 and completed in May 2022.



The assessment highlighted the need to reinforce Governance & Strategy, Security & Risks and Data & Analytics domains. The leadership and information technology teams of BUs, GCs and the head office have since established individual action plans to address the gaps identified over the next 12 to 18 months. This also entails restructuring of the IT teams to equip them with the right capabilities and skills, an exercise which is well under way.

Ensuring good governance

To ensure the effective implementation of the framework, the right governance with clear roles, ownership, decision-making and change management authority is essential. The Technology & Transformation department, which serves as a technology and digital consultant and centre of excellence for the group, guides and oversees the implementation of the framework as illustrated below.

BU/GC Business & IT leaders	Technology & Transformation team	Group IT Committee
· Accountable for technology management and governance as per **IT Framework** defined at Group Level. · Implement technology & digital plans in line with BU/GC objectives.	· Custodian of **IT framework and policies**. · Disseminates approved policies to BU's and GC's. · Assits BU's and GC's in enchancing their maturity level in technology governance and management based on framework. · Assists BU's and GC's in execution their technology & digital plans.	· Oversees implementation of **IT framework** and approves **IT policies**. · Oversees implementation of **strategic technology project at BU/GC and Group levels**. · Governs the group's cybersecurity and manages IT-related risks.

Information Technology Committee

The Information Technology Committee, which is a sub-committee of the Audit and Risk Committee, operates within defined terms of reference and *inter alia*:

1. Monitors and evaluates significant IT investments and expenditure.
2. Ensures that information assets are effectively managed.

Composition

The Committee is chaired by Isabelle de Melo, a non-Executive Director. The other members of the Committee comprising the Executives of IBL are Arnaud Lagesse, Jean-Claude Béga, Christine Marot, Diya Nababsing-Jetshan, Patrice Robert and Thierry Labat.

Attendance in 2021-2022

Members	30/08/2021	26/11/2021	18/02/2022	22/06/2022	Total number of meetings attended
Isabelle de Melo (Chairman)	✓	✓	✓	✓	4
Arnaud Lagesse	✓	✗	✓	✗	2
Patrice Robert	✓	✓	✓	✓	4
Thierry Labat	✓	✓	✓	✓	4
Christine Marot	✓	✓	✓	✓	4
Jean-Claude Béga	✓	✓	✓	✓	4
Diya Nababsing-Jetshan	✓	✓	✓	✓	4

Matters considered in 2021-2022

During the year under review, the Information Technology Committee met four times and matters discussed included:

- An IT assessment exercise
- Consideration of technology related critical risks and issues
- Review technological projects
- Review of IT policies and Group IT risks and issues

Corporate Governance Committee

The Corporate Governance Committee advises the Board on matters pertaining to corporate governance and ensures that the principles of the National Code of Corporate Governance are applied. This Committee also acts as Nomination & Remuneration Committee.

The Corporate Governance Committee's Charter was last reviewed and approved on 3 June 2019 and is available on IBL's website at www.iblgroup.com

CORPORATE GOVERNANCE REPORT

Composition

The Committee is chaired by Gilles Michel, an Independent non-Executive Director. The other members of the Committee are Jan Boullé, Martine de Fleuriot and Jean Ribet, who are non-Executive Directors and Arnaud Lagesse, who is an Executive Director.

Attendance in 2021-2022

Members	15/09/2021	10/02/2022	24/03/2022	31/05/2022	Total number of meetings attended
Gilles Michel (Chairman)	✓	✓	✓	✓	4
Jan Boullé	✓	✓	✓	✓	4
Martine de Fleuriot	✓	✓	✓	✓	4
Arnaud Lagesse	✓	✓	✓	✓	4
Jean Ribet	✓	✓	✓	✓	4

Matters considered in 2021-2022

During the year under review, the Corporate Governance Committee met 4 times, and matters discussed included:

Nomination	· Recommendation to the Board on the nomination of Directors on the Board of IBL Ltd and of IBL's nominees on the various Boards of subsidiaries.
Corporate Governance	· Recommendation to the Board for approval of the Corporate Governance Report and Statement of Compliance. · Recommendation to the Board for approval the re-appointment of the Chairman of IBL Ltd. · Recommendation to the Board for a review of directors' fees.

Remuneration Sub-Committee

The Corporate Governance Committee has assigned its remuneration functions to a sub-committee, hereinafter referred to as Remuneration Sub-committee. The sub-committee has also been entrusted with the Corporate Governance Committee's mandate to review the remuneration of staff members, managers and senior management.

Composition

While the Corporate Governance Committee is chaired by Gilles Michel, an Independent non-Executive Director, the Remuneration Sub-Committee is chaired by Marc Freismuth, who is neither an Independent non-Executive Director nor a Board member. The Board of IBL is of the view that Marc Freismuth possesses the relevant expertise and knowledge to effectively act as the Chairman of this Sub-committee. The other members of the Sub-committee are Jean Ribet and Jan Boullé, both Non-Executive Directors and members of the Corporate Governance Committee.

Attendance in 2021-2022

Members	14/09/2021	06/12/2021	28/01/2022	17/05/2022	28/06/2022	Total number of meetings attended
Marc Freismuth (Chairman)	✓	✓	✓	✓	✓	5
Jan Boullé	✓	✓	✓	✓	✓	5
Jean Ribet	✓	✓	✓	✓	✓	5

Matters considered in 2021-2022

During the year under review, the Remuneration Sub-Committee met 5 times, and matters discussed included:

- Reviewing the performance of the CEO and key senior executives
- Determination and calculation of the performance bonus for the year 2021-2022
- Reviewing talent, career development and salaries
- Reviewing and approving the list of Executives entitled to the Long-Term Incentive (LTI) Scheme 2021
- Reviewing and finalising the rules relating to LTI
- Presentation of Human Capital strategy for IBL Beyond Borders

Strategic Committee

The Strategic Committee was established for the purpose of advising the Board about the Company's strategy. This Committee also assists the Board in analysing, negotiating, reporting on and making recommendations on potential strategic transactions.

A copy of this Charter is available on the website of IBL at www.iblgroup.com

Composition

The Committee was chaired by Pierre Guénant, an Independent non-Executive Director up to 19 September 2022. The other members of the Committee are Gilles Michel, an Independent non-Executive Director; Jan Boullé, Thierry Lagesse and Jean Ribet, all non-Executive Directors; and Arnaud Lagesse, Executive Director. On 1st July 2022, Georges Desvaux, an Independent non-Executive Director, joined the Committee.

CORPORATE GOVERNANCE REPORT

Attendance in 2021–2022

Members	08/07/2021	13/10/2021	16/11/2021	17/01/2021	24/02/2022	19/05/2022	Total number of meetings attended
Pierre Guénant (Chairman)	✓	✓	✓	✓	✓	✓	6
Jan Boullé	✓	✓	✓	✓	✓	✓	6
Thierry Lagesse	✓	✗	✓	✓	✓	✓	5
Gilles Michel	✓	✓	✓	✓	✓[1]	✓	6
Jean Ribet	✓	✓	✓	✓	✓	✓	6
Arnaud Lagesse	✓	✓	✓	✓	✓	✓	6
In attendance							
Jean-Claude Béga	✓	✓	✓	✓	✓	✓	6
Patrice Robert	✓	✓	✓	✓	✓	✓	6

Note:

1. *Meeting chaired by Mr. Gilles Michel*

Matters considered by the Committee in 2021–2022

During the year under review, the Strategic Committee met 6 times and the matters which were discussed included:

Projects	· Considered various proposals/projects which are not yet finalised. · Reviewed and recommended to the Board for approval the acquistion of a stake in a leading operator in East Africa. · Received regular updates on projects/proposals presented by management.
Other matters	· Reviewed IBL's Strategic Plan. · Reviewed various projects in line with the Company's strategy.

DIRECTOR APPOINTMENT PROCEDURES

Define the method to be used and assess whether assistance of an external consultant is required.

↓

Profiling of candidates.

↓

Potential Directors identified and selected by Nomination Committee.

↓

Recommendation by the Nomination Committee to the Board of Directors.

↓

Appointment of new Director by the Board of Directors.

↓

Once appointed and in accordance with the Constitution of IBL Ltd, Directors must stand for re-election at the Company's Annual Meeting every 3 years.

At the forthcoming Annual Meeting, the following Directors shall stand for re-election as per the Constitution of IBL:

- Mrs. Martine de Fleuriot de la Colinière
- Mr. Thierry Lagesse
- Mr. Jean-Pierre Lagesse
- Mr. Hugues Lagesse
- Mr. Jean Ribet

Upon the recommendation of the Corporate Governance Committee and as approved by the Board, the following Directors shall stand for election:

- Mr. Georges Desvaux
- Mr. William Egbe

Board induction

The Company Secretary assists the Chairman in ensuring that an induction programme is in place for all new Directors to enable them to develop a good understanding of the Company and the group. Additionally, as per the Governance Charter, each newly appointed Director receives an induction pack containing documents pertaining to his or her role, duties and responsibilities.

Board Induction Programme

- One-to-one briefing with the Chairman of the Board and Group CEO
- One-to-one briefing with the Group Corporate Secretary
- Detailed briefings with COO and Senior Executives of each cluster and Group Heads and Heads of Departments of the Corporate Centre
- Site visits

CORPORATE GOVERNANCE REPORT

Board evaluation

In line with its Corporate Governance Charter, IBL shall carry out a Board evaluation exercise every 2 years. Following the last Board evaluation exercise conducted in August 2019 by an external evaluator, the Board has carried out an internal exercise during the year 2021-2022. At the time of finalising the Corporate Governance Report, the results of this exercise were being compiled and shall be presented to the Board for consideration.

Professional development and training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional practices. They are also encouraged to participate in various workshops and presentations organised by the Company from time to time.

Time commitments

Board members are expected to dedicate such time as is necessary for them to effectively discharge their duties. Each Director is expected to act in the best interests of the Company and to ensure that his or her other responsibilities do not impinge on his or her responsibilities as a Director of IBL Ltd.

Succession plan

The Board believes that good succession planning is a key contributor to the delivery of the group's strategy and its ability to create value in the long term. The Board is committed to recognising and nurturing talent across the group's executive and management teams in order to develop current and future leaders. Succession planning, which has been delegated by the Board to the Corporate Governance Committee, is reviewed on an annual basis by the Remuneration Sub-Committee. However, the succession planning of key governance officers is dealt with at the Corporate Governance Committee level. The Board has reviewed the professional development and ongoing education of directors.

DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Directors' duties

Directors are aware of their legal duties. Once appointed on the Board, the Director receives the following documents pertaining to his or her duties and responsibilities:

- Board Charter
- Governance Charter
- Code of Business Ethics
- The Constitution
- Salient features of the Listing Rules and the Securities Act

Conflicts of interest and related party transactions policy

The Board Charter contains provisions to prevent insider dealing and manage any potential conflict of interest. In addition, the Board approved on 3 June 2019, a Conflict of Interest and Related Party Policy.

Interest Register

An Interest Register, which is updated on an annual basis, is maintained by the Company Secretary. Any disclosure of interest as required under the Mauritius Companies Act 2001 is recorded in the Interest Register, which is available for inspection during normal office hours upon written request made to the Company Secretary.

Remuneration policy

There are no established policies for remunerating Executive Directors approaching retirement. This will be determined by the Board as and when required. Non-Executive Directors' fees consist of a fixed fee and an attendance fee per meeting. Any changes to non-Executive Directors' remuneration are submitted to the shareholders of the Company for approval at the annual meeting of shareholders.

The following table depicts the fees paid to the Directors for their involvement in the Board and Committees during the year under review.

Directors	Board		Audit & Risk Committee		Corporate Governance Committee		Strategic Committee		Information Technology Committee		Total Fees (MUR)
	Fixed Fees[1] (MUR)	Variable Fees[1] (MUR)	Fixed Fees (MUR)	Variable Fees (MUR)	Fixed Fees (MUR)	Variable Fees (MUR)	Fixed Fees (MUR)	Variable Fees (MUR)	Fixed Fees (MUR)	Variable Fees (MUR)	
Jan Boulle[2]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jean-Claude Béga[3]	Nil	Nil					Nil	Nil	Nil	Nil	Nil
Martine de Fleuriot	200,000	320,000			35,000	20,000					575,000
Isabelle de Melo[4]	400,000	320,000	60,000	50,000					75,000	50,000[5]	955,000
Pierre Guénant	400,000	200,000					60,000	55,000			715,000
Arnaud Lagesse[3]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Benoit Lagesse	200,000	320,000	60,000	60,000							640,000
Hugues Lagesse	200,000	320,000									520,000
Jean Pierre Lagesse	200,000	320,000									520,000
Thierry Lagesse	200,000	240,000	60,000	60,000			30,000	25,000			615,000
Gilles Michel	400,000	280,000			55,000	60,000	30,000	35,000			860,000
Maxime Rey	200,000	320,000									520,000
Jean Ribet	200,000	280,000			35,000	20,000	30,000	30,000			595,000
Richard Arlove	400,000	320,000	90,000	90,000							900,000

Notes:

1. *Fixed fees refer to annual fees and variable fees to attendance fees, which are paid per meeting attended.*
2. *Jan Boullé is a full-time Non-Executive Chairman of the group and is paid an annual fee of Rs.6.3 M. He did not receive any attendance fees or committee fees for the year under review. No fees were paid to him for attending meetings of the group's subsidiaries or associates and these are instead paid to IBL Ltd.*
3. *Arnaud Lagesse and Jean-Claude Béga are Executive Directors. They received no fees for attending IBL's Board or Committee meetings nor for attending meetings of subsidiaries or associates of the group. These fees are instead paid to IBL Ltd.*
4. *Due to her expertise, Isabelle de Melo was appointed on the board of AfrAsia Bank Limited, an associate of IBL Ltd. This appointment gave rise to a cross-directorship situation thus jeopardising her "independence". Legal opinion was subsequently sought on that issue and pending which, she continued to be considered as an independent director. Following legal confirmation, it has been decided that Isabelle de Melo would henceforth be categorised as "non-executive director" for IBL Ltd.*
5. *The attendance fees for the meeting held on 15/06/2021 has been paid in June 2022. Isabelle de Melo has thus been paid for 5 meetings instead of 4 meetings.*

CORPORATE GOVERNANCE REPORT

The Corporate Governance Committee of IBL has also approved the following schedule of fees for:

- Marc Freismuth, the Chairman of the Remuneration Sub-committee, as follows: an annual fixed fee of Rs. 150,000 and an attendance fee of Rs. 10,000 per meeting. No fees are paid to Jean Ribet and Jan Boullé for attending the Remuneration Sub-committee meetings.
- Isabelle de Melo, the Chairman of the Information Technology Committee as follows: an annual fixed fee of Rs. 75,000 and an attendance fee of Rs.10,000 per meeting. No fees are paid to Arnaud Lagesse and Jean-Claude Béga for attending meetings of this Committee.

Other Benefits/Incentives for IBL Employees

Long-term incentive scheme

A long-term incentive scheme targeted to eligible Executives. This scheme, which is a phantom share award scheme, is overseen by the Corporate Governance Committee. The objectives of this scheme include:

- Creating a reward mechanism that supports achievement of value creation and growth objectives of the Company in the long run.
- Strengthening the ability of the organisation to attract and retain executive talent.
- Strengthening the sense of alignment of interests between executives and shareholders.
- Raising the profile and reputation of the IBL Group by taking a leading position in employee value propositions for executives in the Mauritian market.

Short-term incentive scheme

The short-term incentive scheme, also referred to as performance bonus, puts forward the personal performance of the Executives, the group and Company's profitability. Additional details are available in the Human Capital Report included in the Strategy(page 84) section of the Integrated Report.

RISK GOVERNANCE AND INTERNAL CONTROL

The Directors are responsible for maintaining an effective system of internal control and risk management. While the Audit and Risk Committee oversees the group's risk governance and internal controls, the nature of the risks facing IBL and the group's risk appetite remain the ultimate responsibility of the Board.

The Board is also responsible for:

- Ensuring that structures and processes are in place to effectively manage risks;
- Identifying the principal risks and uncertainties that could potentially affect the Company and the group;
- Ensuring that management has developed and implemented the relevant framework;
- Ensuring that systems and processes are in place for implementing, maintaining and monitoring internal controls;
- Identifying any deficiencies in the internal control system; and
- Ensuring that whistle-blowing rules and procedures are in place.

IBL's risk governance and internal control framework is guided by the COSO framework.

To assist the Board in its duties, the day-to-day management of risks has been delegated to IBL's Head of Risk Management whose main responsibility is to drive, support and coordinate risk management activities throughout the group and in line with its strategic objectives. The Head of Risk Management regularly reports, at least on a quarterly basis, to the Audit and Risk Committee on the group's risk environment.

Risk management activities and the risks potentially threatening IBL this year are explained in the Risk Management report included in the Strategy section of the Integrated Report. There are no identified risks which threatens the solvency and liquidity of the organisation.

REPORTING WITH INTEGRITY

The Directors are responsible for preparing an annual report and financial statements in accordance with applicable laws and regulations. Company law further requires the Directors to prepare financial statements for each financial year in accordance with International Financial Reporting Standards.

The Directors are also responsible for keeping adequate accounting records, explaining the Company's transactions and disclosing, with reasonable accuracy and at any time, the financial position of the Company and the group. The Directors have the duty to safeguard the assets of the Company and the group and for taking reasonable steps to prevent and detect fraud and other irregularities.

Information regarding IBL's financial, environmental and performance outlook have been disclosed further in the sections "Strategy" and "Performance" of the Integrated Report.

AUDIT

Within the governance framework of IBL Ltd, the third line of defence plays an important role. The effectiveness of the first line and second line as a result become critical to the success of an effective third line of defence. The internal audit function is a vital element of the third line of defence thereby providing an independent assurance to the Board and Senior Management on the adequacy and operational effectiveness of the internal control, risk management and governance system and processes.

The reporting is functionally to the Audit and Risk Committee and administratively to the group Head of Corporate Services of IBL Ltd. The leadership of the function rests with the group Audit Executive and one of the big four is the co-sourcer for specific assignments. The focus of the internal audit engagements is to address the main risks identified by the Audit and Risk Committee and Senior Management by providing reasonable assurance that related controls are adequate and effective. These are reflected in the internal audit plan that is driven by a risk-based approach.

The effectiveness of the risk management framework and the control environment is assessed using the approved methodology where areas of relative weakness and requiring improvement are highlighted. Senior Management has access to an online tracker where the risks highlighted during past assignments are monitored. The internal audit approach and methodology are guided by the Institute of Internal Auditors, Information Systems Audit and Control Association as well as the applicable principles and guidance notes established by the National Code of Corporate Governance for Mauritius.

Convergence of data analytics and governance for a resilient control environment

Focus on proper governance framework

Considered as a pillar to an effective matured risk culture, governance has an important coverage in the current risk-based audit plan and systematically assessed according to our methodology. Governance within disruptive technologies can be more challenging for some specific aspects within mega business processes. With the digital transformational wave, emerging technology like cloud computing, have triggered for example the review of areas relating to cloud governance and ERP assurance.

Consolidate the data analytics approach

To cater for the growing requirement to embed data governance in the information and technology domains, the internal audit function continuously influences the control environment by using more data analytics and characterising the control weaknesses within the population by enforcing our data analytics bench. In this continuous journey, the internal audit function keeps exploring new avenues for implementing data analytics tools that will provide stronger assurance to the control environment. Those specific tools are pivotal in enhancing the role of the function with the advent of the data-driven era.

CORPORATE GOVERNANCE REPORT

Greater emphasis on a resilient control environment

Communication being of utmost importance, the conversation with the Board and Senior Management keeps nurturing the tone set with respect to governance, emerging risks and key controls. More so, the internal audit has encompassed within its activities, training sessions including awareness on fraud prevention and importance of key controls. This journey will continue so as to provide a homogenous and maturing control environment as part of the impact of internal audit activities. This approach is geared towards helping businesses to mitigate inherent risks and to attain the desired level of control environment.

With the dynamic operations environment and ability to provide the right service to address the emerging business and auditable risks, the need to have specific expertise within the internal audit team is reviewed with the Audit and Risk Committee. The team is composed of professionals with world-wide recognised designations like Chartered Certified Accountants, Certified Internal Auditors, Certified Information System Auditors and graduates. The group Audit Executive is a Chartered Certified Accountant, Certified Internal Auditor, Certified Information System Auditor and a Certified Fraud Examiner.

With the current context, the internal audit team possesses the agility necessary to trigger the Audit and Risk Committee on potential areas of risks and audits to be carried out. To continuously keep abreast with the vast array of subjects treated and associated with the dynamic risk landscape, the internal audit team follows adapted trainings to continuously upheave the assurance and advisory work. With the use of TeamMate+, it consistently focuses on quality and adherence to the International Professional Practices Framework issued by the Institute of Internal Auditors and the standards issued by the Information Systems Audit and Control Association.

Adapting the service model with African and Global expansion plan

African and global expansion with a major footprint in the region is driving the investment strategies. Within this expansion context, our internal audit function will redirect its risk-based approach to cater for forthcoming assurance and advisory audit services. The current team profile is composed of professionals with international exposure. Currently such audits are primarily handled internally but with the possibility to outsource when and where necessary.

The internal audit engagements carried out during the financial year are detailed in the "Audit and Risk Committee – Matters considered in 2021-2022" section of this report. page 110

The group Audit Executive attendance to IBL Ltd Audit and Risk Committee

Month in which IBL Ltd Audit and Risk Committee was held	Attended
August 2021	✓
February 2022	✓
May 2022	✓

There has been no restriction imposed on the internal audit function to have access to records, management, or employees of IBL Ltd and its operations.

Internal Audit Matters considered in 2021-2022

With respect to the approved internal audit plan, 34 internal audit engagements were carried out and the reports were presented to the respective Audit and Risk Committees, Risk Committees and Boards where the main risks and audit findings were discussed. The split per cluster and audit types are shown in *Figure 1*. Follow ups were done on three instances on 26 previous reports as shown in *Figure 1.1*.

Figure 1 – Cluster analysis per internal audit engagements

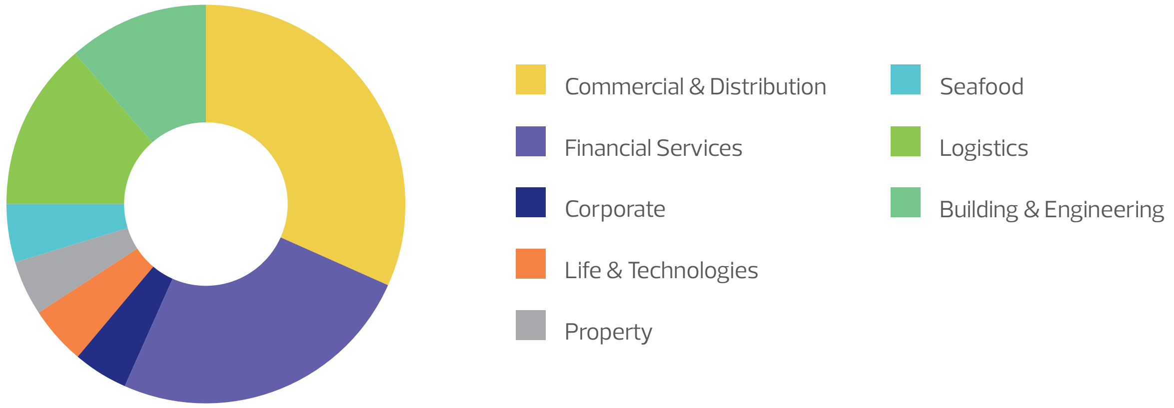


Figure 1.1 – Follow up per cluster

CORPORATE GOVERNANCE REPORT

The major processes that were covered in the audit plan are listed below:

	Related auditable cycles and processes
1	Revenue, banking and receivables
2	Information systems audits including general controls, adherence with Group IT policies and procedures, pre and post system implementation, application controls
3	Human Capital
4	Procurement and inventory
5	Capital expenditure

External Audit

At the last Annual Meeting, Messrs. Deloitte has been appointed as external auditor for the year ended 30 June 2022. Pursuant to Section 200 of the Companies Act 2001, their automatic reappointment for the year ending 30 June 2023 shall be considered at the forthcoming Annual Meeting.

With regard to external audit, the Audit and Risk Committee is responsible for, *inter-alia*:

- reviewing the auditor's letter of engagement
- reviewing the terms, nature and scope of the audit; and its approach
- ensuring that no unjustified restrictions or limitations have been placed on its scope
- assessing the effectiveness of the audit process

The external auditor has direct access to the Committee should they wish to discuss any matters privately. During the financial year 2021-2022, the external auditor met the members of the Audit and Risk Committee outside the presence of management.

Auditor's independence

The Audit and Risk Committee is responsible for monitoring the external auditor's independence, objectivity and compliance with ethical, professional and regulatory requirements; and for maintaining control over the provision of non-audit services.

The external auditor is prohibited from providing non-audit services which might compromise their independence by requiring them to subsequently audit their own work. Any other non-audit services provided by the external auditor are required to be specifically approved by the Audit and Risk Committee. Audit fees are set in a manner that enables an effective external audit. The Auditor should ensure that it observes the highest standards of business and professional ethics and, in particular, that its independence is not impaired in any manner.

RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

IBL's key stakeholders

Stakeholders' engagement

IBL's engagement with its shareholders and various stakeholders is detailed in the section "Strategy" of the Integrated Report (page 64).

CORPORATE GOVERNANCE REPORT

Communication with shareholders

IBL recognises that good communication with its shareholders is core to any good governance platform and is committed to regular and proactive communications with its shareholders. The Board thus ascertains that, at all times, there is sufficient disclosure of information to its shareholders so that they are kept fully informed of any information relating to the Company which is necessary to enable them to be appraised of the position of the Company. Any major announcement in relation to the activities of the Company, interim quarterly financial statements or abridged audited annual financial statements, as required by the Listing Rules and the Securities Act, are disclosed to the shareholders in a timely manner and posted on IBL's website.

Shareholding profile

The Company's stated capital is made up of 680,224,040 ordinary shares and 1,510,666,650 restricted redeemable shares.

As at 30 June 2022, 12,410 shareholders were recorded in the Company's share register.

Substantial shareholders

The table below highlights IBL's shareholders who hold 5% or more (directly and/or indirectly) of the ordinary shares as at 30 June 2022.

Name of shareholder	Percentage holding (%)
Espérance International Ltd	10.84
Société Portland	7.37
Swan Life Ltd	6.82
Mr. Benoit Lagesse	5.72

Shares in public hands

In accordance with SEM's Listing Rules, the percentage shareholding of IBL in public hands is more than 25%.

Restricted redeemable shares

GML Ltée is the holder of 1,510,666,650 restricted redeemable shares ("RRS"), representing 68.95% of the voting rights. The restricted redeemable shares are not listed and the only right attached to these shares is the power to vote at general meetings. GML Ltée has no right to dividends or distribution or to any surplus from the Company in case of winding up.

Dividend Policy

The Company does not have any predetermined dividend policy and the dividend payout is subject to the performance of the Company. An interim dividend is normally declared in November and paid in December and a final dividend is normally declared in May and paid in June.

For the year under review, an interim dividend of Re.0.15 per share was paid to the shareholders of IBL in December 2021 and in June 2022, a final dividend of Re.0.45. Total dividends for the year amounted to Re.0.60 per share (2020-2021: Re.0.44).

Shareholders' agreement

There exists no Shareholders' Agreement to the knowledge of the Directors.

Calendar of forthcoming shareholders' events

One of the most important shareholders' related events of the year is the Annual Meeting. This meeting allows the Board of Directors to communicate to the shareholders up-to-date and detailed information on the activities of the Company for the year under review and future projects or developments for the year ahead. The shareholders are therefore encouraged to attend the Annual Meeting and discuss with the Directors.

The external auditor also attends the Annual Meeting and is available to respond to queries which the shareholders may have with regard to their scope of work.

JAN BOULLÉ
Chairman of the Board of Director

GILLES MICHEL
Director

03 November 2022

STATUTORY DISCLOSURES

STATEMENT OF COMPLIANCE

(SECTION 75 (3) OF THE FINANCIAL REPORTING ACT 2004)

Name of Public Interest Entity ("PIE"):	IBL Ltd
Reporting Period:	30 June 2022

Throughout the year ended 30 June 2022 to the best of the Board's knowledge, IBL Ltd has complied with the Corporate Governance Code for Mauritius (2016). IBL Ltd has applied all the principles set out in the Code and explained how these principles have been applied.

JAN BOULLÉ
Chairman of the Board of Director

GILLES MICHEL
Director

03 November 2022

CERTIFICATE FROM COMPANY SECRETARY

30 JUNE 2022

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001.

THIERRY LABAT, *FCG (CS)*
Per IBL Management Ltd
Company Secretary

03 November 2022

STATUTORY DISCLOSURES

S. 221 OF THE COMPANIES ACT 2001

PRINCIPAL ACTIVITY OF THE COMPANY

The Company and its subsidiaries are engaged in a wide range of activities organized in 9 business clusters: Agro & Energy, Building & Engineering, Commercial & Distribution, Financial Services, Hospitality & Services, Life & Technologies, Logistics, Seafood and Property. It holds substantial investments in several industries, such as real estate industry, tourism, banking, communication and biotechnologies and a chain of supermarkets.

The stated capital of the Company is made up of 680,224,040 ordinary shares and 1,510,666,650 Restricted Redeemable shares.

DIRECTORS

The name of the Directors of the Company as at 30 June 2022 were as follows:

Directors	Alternate Director
Jan F. Boullé (Chairman)	
Martine de Fleuriot de la Colinière	
Isabelle de Melo	
Richard Arlove	
Jean-Claude Béga	
Pierre Guenant	
Arnaud Lagesse	
Benoit Lagesse	
Hugues Lagesse	
Jean-Pierre Lagesse	
Thierry Lagesse	Stéphane Lagesse
Gilles Michel	
Maxime Rey*	
Jean Ribet	

** Mr. Maxime Rey resigned by close of business on 30 June 2022.*

DIRECTORS' SERVICE CONTRACTS

There is no service contract between the Company and any of its Non-Executive Directors.

CONTRACT OF SIGNIFICANCE

There exists no contract of significance, save as disclosed above, between the Company and its Directors.

DIRECTORS' INSURANCE

The Directors benefit from an indemnity insurance to cover for liabilities which may be incurred while performing their duties to the extent permitted by law.

DIRECTORS' AND SENIOR OFFICERS' INTERESTS IN SHARES

The direct and indirect interests of the Directors and Senior Officers in the equity securities of the Company as at 30 June 2022 were as follows:

Directors	Direct Interest		Indirect Interest
	Shares	%	%
Jan F. Boullé (Chairman)	–	–	2.3339
Martine de Fleuriot de la Colinière	–	–	–
Isabelle de Melo	–	–	–
Richard Arlove	116,521	0.0171	–
Jean-Claude Béga	–	–	–
Pierre Guenant	–	–	–
Arnaud Lagesse	–	–	2.7969
Benoit Lagesse	25,746,273	3.7850	1.9443
Hugues Lagesse	–	–	3.6023
Jean-Pierre Lagesse	–	–	–
Thierry Lagesse	12,317,102	1.8107	1.0268
Gilles Michel	–	–	–
Maxime Rey*			
Jean Ribet	–	–	–
Alternate Directors			
Stéphane Lagesse	12,538,725	1.8433	1.0268
Senior Officers			
IBL Management Ltd	–	–	–
Christine Marot	–	–	–
Dipak Chummun	–	–	–
Thierry Labat	24	–	–
Patrice Robert	–	–	–

** Mr. Maxime Rey resigned by close of business on 30 June 2022.*

STATUTORY DISCLOSURES

S. 221 OF THE COMPANIES ACT 2001

TOTAL REMUNERATION AND BENEFITS RECEIVED, OR DUE AND RECEIVABLE BY THE EXECUTIVE DIRECTORS FOR YEAR ENDED 30 JUNE 2022:

The remuneration and benefits paid for the year ended 30 June 2022 to the Executive Directors – namely Mr. Arnaud Lagesse, Group CEO and Mr. Jean-Claude Béga - Group Head of Financial Services and Business Development, are made up of the following components: (a) 36% for basic salary including end of year bonus; (b) 31% for performance bonus; (c) 13% for long term incentive related payments made during FY 21/22 and (d) the difference of 20% comprised pension contributions and other benefits. The total amount paid – Rs. 55,889,633 (covid deductions which were made during FY 20/21 have been included as refunded in July 2021) are split between the group CEO and the group Head of Financial Services and Business Development, 65% and 35% respectively.

TOTAL REMUNERATION AND BENEFITS RECEIVED, OR DUE AND RECEIVABLE BY THE DIRECTORS FROM THE COMPANY AND ITS SUBSIDIARIES FOR THE YEAR ENDED 30 JUNE 2022:

Directors of IBL Ltd	From the Company (Rs'000)	From the Subsidiaries (Rs'000)
Executive	55,890	nil
Non-Executive	13,502	nil

DONATIONS FOR THE YEAR ENDED 30 JUNE 2022

Donations	The Group		The Company	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Political	-	-	-	-
Others	**7,952**	7,774	**2,404**	2,076
	7,952	7,774	**2,404**	2,076

AUDITORS' REMUNERATION

For the year under review, the fees incurred for audit services and non-audit services by the Company were as follows:

Audit Services		
	2022 (Rs'000)	2021 (Rs'000)
The Company	**7,198**	11,004
Subsidiaries of the Company	**33,168**	41,165

Non-Audit Services		
	2022 (Rs'000)	2021 (Rs'000)
The Company	-	2,062
Subsidiaries of the Company	**7,575**	8,081

JAN BOULLÉ
Chairman of the Board of Director

RICHARD ARLOVE
Director

03 November 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations.

Company law requires Directors to prepare financial statements in accordance with International Financial Reporting Standards for each financial year. Financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The external auditors are responsible for reporting on whether the financial statements are fairly presented. In preparing these financial statements, Directors confirm that they have:

- Selected suitable accounting policies and then apply them consistently.
- Made judgements and accounting estimates that are reasonable and prudent.
- Stated that International Financial Reporting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statements.
- Prepared the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.
- Ensured application of the Code of Corporate Governance and provide reasons in case of non-application with the Code.

Directors are responsible for keeping proper accounting records, which disclose reasonable accuracy at any time, the financial position of the Company and the group, to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. Directors have the duty to safeguard the assets of the Company and the group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for maintaining an effective system of internal control and risk management.

The Directors hereby confirm that they have complied with the above requirements.

Approved by the Board of Directors on 03 November 2022 and signed on its behalf by

JAN BOULLÉ
Chairman of the Board of Director

RICHARD ARLOVE
Director

03 November 2022

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of **IBL Ltd** (the "Company" and the "Public Interest Entity") and its subsidiaries (the "Group") set out on pages 214 to 362, which comprise the consolidated and separate statements of financial position as at 30 June 2022, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and Company as at 30 June 2022, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Valuation of properties	
The Group's and the Company's carrying value of land and buildings amounted to Rs 22.0 billion and Rs 458.9 million and investment properties amounted to Rs 3.4 billion and Nil respectively. The Group's and the Company's revaluation adjustments in respect of land and buildings recorded in other comprehensive income for the year was Rs 549.5 million and Nil while the fair value adjustments in respect of investment property recorded in profit for the year was Rs 290.3 million and Nil respectively. The disclosures are provided in Notes 3, 4 and 5 to the financial statements. The properties of the Group and the Company comprise of owner-occupied land and buildings and investment properties. The models used to determine the fair values for each of the categories differ due to the different nature of each of these categories. The Group uses independent professional valuers to determine the fair values for all of the properties held in these categories. Significant judgment is required by management in determining the fair value of properties. Accordingly, the valuation of properties is considered to be a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgment associated with determining the fair value. The inputs with the most significant impact on these valuations include comparable market data, discount rates, capitalisation rates, depreciation rates, rental income and replacement costs.	We assessed the competence, capabilities and objectivity of management's independent valuers. In addition, we discussed the scope of their work with management and reviewed their terms of engagement to determine that there were no matters that affected their objectivity or imposed scope limitations upon them. We verified that the approaches used were consistent with IFRS and industry norms. With the support of our internal valuation specialists, we evaluated management's judgments, in particular: · The models used by management; and · The significant assumptions including comparable market data, discount rates, capitalisation rates, depreciation rates, rental income and replacement costs. We compared these inputs to market data and entity-specific historical information to confirm the appropriateness of these judgments. Furthermore, we tested a selection of data inputs underpinning the valuation against appropriate supporting documentation to assess the accuracy, reliability and completeness thereof. We have also assessed whether the disclosures are in accordance with the requirements of IFRS 13.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (Continued)

Key audit matters	How our audit addressed the key audit matter
Impairment of goodwill	
The Group has goodwill amounting to Rs 1.9 billion at 30 June 2022. Significant judgment is required by management in assessing the impairment of goodwill, which is determined using discounted cash flows for each Cash Generating Units (CGU) for which goodwill has been allocated. Management has disclosed the accounting judgment and estimate used in the above in Notes 3 and 6. The value in use is extremely sensitive to changes in the weighted average cost of capital (WACC) rate and growth rate and significant judgment is involved in the preparation of the cash flow forecasts. Accordingly, the impairment test of goodwill is considered to be a key audit matter.	In evaluating the impairment of goodwill, we reviewed the value in use calculations prepared by management. We performed various procedures, including the following, with the support of our internal valuation specialists: · Reviewed the entity's key controls relating to the preparation of the cash flow forecasts. · Reviewed the inputs used in the cash flow forecast against historical performance and in comparison to the directors' and management's strategic plans. · Compared the growth rates used to historical data regarding economic growth rates in the cash generating units. · Reviewed appropriateness of discount factors used, including any illiquidity and size factors. · Verified the mathematical accuracy of the valuation. · Performed sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value in use of each CGU in line with the requirements of IAS 36 – Impairment of Assets. · Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.
Retirement benefit obligations	
The Group and the Company operate final salary defined benefit plans and have recognized retirement benefit obligations of Rs 2.2 billion and Rs 834.3 million respectively at 30 June 2022. Management has applied judgment in determining the retirement benefits and has involved an actuary to assist with the IAS 19 provisions and disclosures. Retirement benefit obligations are considered a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgment associated with determining the amount of provision. The significant assumptions used in respect of the retirement benefits obligations have been disclosed in Note 24.	We assessed the competence, capabilities and objectivity of management's independent actuaries. The procedures performed included the following: · Assessed and challenged the assumptions that the management made in determining the present value of the liabilities and fair value of plan assets; · Independently recalculated the discount rate used based on the duration of the employee benefit liabilities; · Compared the annual salary increment with historical data; and · Verified the data used by the actuaries with the payroll report for completeness and accuracy. · Assessed whether the disclosures made in the financial statements are as per the requirements of IAS 19.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (Continued)

Key audit matters	How our audit addressed the key audit matter
Valuation of unquoted investments	
Fair values of unquoted investments of the Group and the Company amounting to Rs 658.7 million and Rs 22.0 billion respectively are determined by using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flow, whichever is considered to be most appropriate. The disclosures of fair values of unquoted investments have been provided in Notes 11, 12, 13 and 14 to the financial statements. Management has also disclosed the accounting judgments and estimates used for fair valuation in Notes 3 and 37(a) to the financial statements. The valuation exercise, as carried out in the current year, requires that management makes estimates of discount factors and price earnings ratio as applicable to the relevant market. Changes in assumptions about these factors could affect the reported fair values of the unquoted investments and the valuation techniques can be subjective in nature and require significant management estimates. Accordingly the valuation of unquoted investments is considered to be a key audit matter.	In evaluating the fair values of unquoted investments, we reviewed the valuation calculations prepared by management. We assessed the competence, capabilities and objectivity of the valuers and we performed various procedures, with the support of our internal valuation specialists, including the following: · Evaluated the appropriateness of the valuation methodologies and models used to ensure they are properly applied in compliance with IFRS 13 – Fair Value Measurement. · Reviewed the entity's key controls relating to the preparation of the cash flow forecasts. · Reviewed the inputs used in the cash flow forecast against historical performance and in comparison to the directors' and management's strategic plans. · Assessed the reasonableness of the valuation assumptions and tested the underlying source information of the significant valuation assumptions. · Reviewed appropriateness of discount factors used, including any illiquidity, size and lack of control factors. · Verified the mathematical accuracy of the valuation. · Performed sensitivity analyses on the growth rates and discount rates to evaluate the extent of impact on the value in use and the appropriateness of the directors' and management's disclosures. · Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.

Emphasis of matter – restatement of comparative information

We draw attention to Note 44 to the financial statements which describes the retrospective adjustments to the comparative information presented in the accompanying consolidated and separate financial statements. Consequently, the comparative information in the accompanying consolidated and separate financial statements has been restated as at 30 June 2021 and 1 July 2020 and for the year ended 30 June 2021. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Other matter relating to comparative financial information

The consolidated and separate financial statements of the Group and the Company as at and for the year ended 30 June 2021 and 30 June 2020 (from which the consolidated and separate statements of financial position as at 1 July 2020 have been derived), excluding the adjustments described in note 44 to the consolidated and separate financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on 30 September 2021 and 3 December 2020 respectively.

As part of our audit of the consolidated and separate financial statements as at and for the year ended 30 June 2022, we also audited the adjustments described in Note 44 that were applied to restate the comparative information presented. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the year ended 30 June 2021 or 30 June 2020 of the Group and the Company, other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the consolidated and separate financial statements for the years ended 30 June 2021 and 30 June 2020, taken as a whole.

Other information

The Directors are responsible for the other information. The other information comprises the Corporate Governance Report, Statutory disclosures, Certificate from Company Secretary, Risk Management Report as well as other reports which are included in the Annual Report which we obtained prior to the date of this auditor's report. The other information, does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements do not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's and the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IBL LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Auditor's responsibilities for the audit of the consolidated and separate financial statements (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless laws or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001
In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor;

- we have obtained all information and explanations that we have required; and

- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Financial Reporting Act 2004 – Corporate Governance Report
Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte

Deloitte
Chartered Accountants
03 November 2022

LLK Ah Hee, FCCA
Licensed by FRC

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

		THE GROUP			THE COMPANY	
	Notes	2022	2021 (Restated)	1 July 2020 (Restated)	2022	2021
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	4	**30,163,221**	29,224,107	28,276,240	**550,463**	582,235
Investment properties	5	**3,356,188**	3,267,618	2,995,741	**–**	–
Intangible assets	6(a)	**2,450,211**	2,430,603	2,146,900	**13,816**	21,364
Land conversion rights	6(b)	**27,198**	25,622	21,937	**–**	–
Deferred tax assets	7	**287,942**	446,649	585,159	**53,608**	48,105
Right of use assets	16(a)	**4,916,237**	4,829,342	5,036,313	**62,273**	73,074
Non-current receivables	17	**80,788**	92,263	44,012	**154,818**	93,111
Retirement benefit obligations allocated to related parties	24	**8,173**	6,798	11,324	**250,400**	231,583
Contract assets	29(b)	**–**	77,600	84,304	**–**	–
Investment in:						
– Subsidiaries	11	**–**	–	–	**24,454,888**	21,314,818
– Associates	12	**10,234,684**	10,180,691	9,472,435	**6,611,217**	6,058,867
– Joint ventures	13	**109,104**	90,950	117,057	**406,932**	382,625
– Other financial assets	14	**978,579**	1,002,060	729,273	**125,221**	102,300
		11,322,367	11,273,701	10,318,765	**31,598,258**	27,858,610
		52,612,325	51,674,303	49,520,695	**32,683,636**	28,908,082
CURRENT ASSETS						
Consumable biological assets	8	**77,086**	54,427	45,776	**–**	–
Inventories	15	**8,077,194**	6,478,658	5,339,661	**1,578,834**	1,188,083
Trade and other receivables	18	**6,104,799**	4,983,767	5,401,235	**1,634,131**	1,484,656
Contract assets	29(b)	**763,745**	802,268	507,256	**–**	–
Gross outstanding claims – Reinsurance assets	9(a)	**1,164,645**	838,134	916,482	**–**	–
General insurance fund – Reinsurance assets	10	**316,870**	266,451	194,669	**–**	–
Current tax assets	26	**53,725**	70,467	72,265	**4,136**	2,000
Other financial assets	14	**256,183**	195,714	179,643	**–**	–
Cash and cash equivalents		**5,848,841**	4,622,354	3,246,736	**603,898**	485,399
		22,663,088	18,312,240	15,903,723	**3,820,999**	3,160,138
Assets classified as held for sale	21	**828,556**	838,519	921,518	**–**	–
TOTAL ASSETS		**76,103,969**	70,825,062	66,345,936	**36,504,635**	32,068,220

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

		THE GROUP			THE COMPANY	
	Notes	2022	2021 (Restated)	1 July 2020 (Restated)	2022	2021
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
EQUITY AND LIABILITIES						
Stated capital	20(a)	**1,361,941**	1,361,941	1,361,941	**1,361,941**	1,361,941
Revaluation and other reserves		**6,988,087**	6,630,120	6,006,124	**15,087,595**	11,853,881
Retained earnings		**7,593,425**	7,049,184	6,717,470	**5,110,754**	4,938,635
EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY		**15,943,453**	15,041,245	14,085,535	**21,560,290**	18,154,457
Restricted redeemable shares	20(b)	**5,000**	5,000	5,000	**5,000**	5,000
Convertible bonds	20(c)	**1,460,283**	744,083	–	**–**	–
Non-controlling interests		**12,180,393**	11,672,133	11,085,491	**–**	–
TOTAL EQUITY		**29,589,129**	27,462,461	25,176,026	**21,565,290**	18,159,457
NON-CURRENT LIABILITIES						
Borrowings	22	**18,125,950**	19,693,517	13,687,142	**8,000,000**	10,084,594
Lease liabilities	16(b)	**4,037,626**	4,031,897	4,179,383	**45,618**	54,856
Retirement benefit obligations	24	**2,243,840**	2,094,096	3,211,779	**834,263**	729,846
Government grants	27	**51,480**	29,864	33,923	**–**	–
Deferred tax liabilities	7	**1,271,484**	1,092,647	1,058,203	**–**	–
Contract liabilities	29(c)	**–**	19,734	–	**–**	–
Other payables	23	**135,769**	134,966	99,701	**84,093**	81,466
		25,866,149	27,096,721	22,270,131	**8,963,974**	10,950,762
CURRENT LIABILITIES						
Borrowings	22	**6,627,119**	4,425,838	7,991,695	**4,242,204**	1,399,141
Lease liabilities	16(b)	**578,499**	554,697	474,087	**22,553**	22,027
Trade and other payables	25	**9,488,813**	8,073,203	7,144,377	**1,680,907**	1,275,813
Other payables	23	**45,047**	29,979	26,932	**27,515**	20,809
Gross outstanding claims	9(a)	**1,819,756**	1,456,836	1,558,839	**–**	–
General insurance fund	10	**504,553**	477,987	455,380	**–**	–
Contract liabilities	29(c)	**891,607**	577,997	494,824	**–**	15,737
Dividend payable	19	**–**	224,474	265,287	**–**	224,474
Current tax liabilities	26	**226,553**	59,024	33,633	**2,192**	–
Government grants	27	**12,163**	12,646	12,869	**–**	–
		20,194,110	15,892,681	18,457,923	**5,975,371**	2,958,001
Liabilities associated with assets classified as held for sale	21	**454,581**	373,199	441,856	**–**	–
TOTAL LIABILITIES		**46,514,840**	43,362,601	41,169,910	**14,939,345**	13,908,763
TOTAL EQUITY AND LIABILITIES		**76,103,969**	70,825,062	66,345,936	**36,504,635**	32,068,220

Approved by the Board of Directors and authorised for issue on 3 November 2022.

Jan Boullé
Chairman of the Board of Directors

Richard Arlove
Director

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2022

		THE GROUP		THE COMPANY	
		2022	2021 (Restated)	**2022**	2021
	Notes	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Continuing operations					
Revenue from contracts with customers	29	**43,248,880**	34,182,437	**5,442,503**	4,765,899
Gross insurance premiums		**1,614,142**	1,487,302	**–**	–
Rental income		**87,992**	120,377	**2,964**	2,059
Dividend income		**26,134**	6,020	**825,709**	725,400
Revenue	29	**44,977,148**	35,796,136	**6,271,176**	5,493,358
Cost of sales		**(31,239,760)**	(25,689,102)	**(4,320,857)**	(3,779,105)
Reinsurance premiums ceded		**(1,120,325)**	(966,958)	**–**	–
Release from general insurance fund	10	**23,853**	49,175	**–**	–
Gross profit		**12,640,916**	9,189,251	**1,950,319**	1,714,253
Other income	30	**1,313,439**	1,251,952	**185,015**	204,711
Administrative expenses		**(10,540,522)**	(9,336,848)	**(1,518,400)**	(1,486,310)
Expected credit losses	28(b)	**247,718**	(159,225)	**71,477**	(54,152)
Gross claims paid	9(b)	**(1,057,652)**	(659,716)	**–**	–
Claims recovered from reinsurers	9(b)	**756,052**	299,550	**–**	–
Operating profit	28	**3,359,951**	584,964	**688,411**	378,502
Interest income using the EIR method	31	**63,411**	84,831	**1,394**	13,839
Finance costs	32	**(1,246,481)**	(1,192,935)	**(433,683)**	(360,997)
Other gains and losses	33	**(404,377)**	133,719	**–**	11,711
Share of results of associates	12	**870,570**	731,598	**–**	–
Share of results of joint ventures	13	**34,986**	25,431	**–**	–
Profit before tax		**2,678,060**	367,608	**256,122**	43,055
Tax expense	26	**(736,366)**	(138,895)	**(11,811)**	(31,975)
Profit for the year from continuing operations		**1,941,694**	228,713	**244,311**	11,080
Discontinued operations					
Profit/(loss) for the year from discontinued operations	21	**23,123**	(131,301)	**–**	–
Profit for the year		**1,964,817**	97,412	**244,311**	11,080
Attributable to:					
- Owners of the Company		**1,182,613**	19,557	**244,311**	11,080
- Non-controlling interests		**782,204**	77,855	**–**	–
		1,964,817	97,412	**244,311**	11,080
Earnings per share (Rs)					
Basic and diluted:					
- From continuing and discontinued operations	40	**1.74**	0.03		
- From continuing operations	40	**1.72**	0.25		

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

		THE GROUP		THE COMPANY	
		2022	2021 (Restated)	**2022**	2021
	Notes	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Profit for the year		**1,964,817**	97,412	**244,311**	11,080
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Net gain on equity instruments at FVTOCI	(a)	**41,643**	33,632	**3,643,355**	2,974,330
Revaluation of land and buildings		**549,491**	585,764	**–**	31,726
Deferred tax on revaluation of land and buildings		**(54,303)**	(65,582)	**–**	(5,393)
Remeasurement of retirement benefit obligations		**(127,545)**	1,110,870	**(91,013)**	207,766
Deferred tax on remeasurement of retirement benefit obligations		**23,755**	(177,658)	**17,314**	(35,320)
Remeasurement of retirement benefit obligations - share of associates and joint ventures		**(22,759)**	22,107	**–**	–
Share of OCI of associates - revaluation reserves		**76,272**	–	**–**	–
Share of OCI of associates - fair value		**495**	–	**–**	–
Share of OCI of associates - other reserves		**1,711**	–	**–**	–
		488,760	1,509,133	**3,569,656**	3,173,109
Items that may be reclassified subsequently to profit or loss					
Cash flow hedge movements		**310,882**	(354,081)	**–**	–
Deferred tax on cash flow hedge movements		**(2,043)**	7,583	**–**	–
Exchange differences on translating foreign operations		**(294,885)**	530,290	**–**	–
Other movements in reserves		**–**	(3,425)	**–**	–
Share of OCI of associates - translation reserves		**(110,307)**	216,546	**–**	–
		(96,353)	396,913	**–**	–
Total other comprehensive income		**392,407**	1,906,046	**3,569,656**	3,173,109
Total comprehensive income for the year		**2,357,224**	2,003,458	**3,813,967**	3,184,189
Attributable to:					
Owners of the Company		**1,216,602**	1,277,353	**3,813,967**	3,184,189
Non-controlling interests		**1,140,622**	726,105	**–**	–
		2,357,224	2,003,458	**3,813,967**	3,184,189
Total comprehensive income for the year analysed as follows:					
Continuing operations		**2,357,224**	2,313,388	**3,813,967**	3,184,189
Discontinued operations		**–**	(309,930)	**–**	–
		2,357,224	2,003,458	**3,813,967**	3,184,189

(a) The fair value gain/(loss) is analysed as follows:

		THE GROUP		THE COMPANY	
		2022	2021	**2022**	2021
		Rs'000	Rs'000	**Rs'000**	Rs'000
Subsidiaries	11	**–**	–	**3,067,129**	2,116,201
Associates	12	**–**	–	**542,588**	814,755
Joint ventures	13	**–**	–	**24,307**	63,443
Other financial assets	14	**41,643**	33,632	**9,331**	(20,069)
		41,643	33,632	**3,643,355**	2,974,330

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

THE GROUP	EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY											
	Stated capital	Capital contribution reserve	Revaluation reserves	Currency translation reserves	Fair value reserves	(Note (a)) Other reserves	Retained earnings	Total	Restricted redeemable shares	Convertible bonds	Non-controlling interests	Total equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2020												
– As previously reported	1,361,941	2,382,387	2,730,796	574,732	9,035	375,472	6,624,092	14,058,455	5,000	–	11,097,260	25,160,715
– Effect of prior year restatements (Note 44)	–	–	(44,768)	–	–	(21,530)	93,378	27,080	–	–	(11,769)	15,311
– As restated	1,361,941	2,382,387	2,686,028	574,732	9,035	353,942	6,717,470	14,085,535	5,000	–	11,085,491	25,176,026
Profit for the year	–	–	–	–	–	–	19,557	19,557	–	–	77,855	97,412
Other comprehensive income/(loss) for the year	–	–	331,099	524,978	4,919	(199,376)	596,176	1,257,796	–	–	648,250	1,906,046
Total comprehensive income/(loss) for the year	–	–	331,099	524,978	4,919	(199,376)	615,733	1,277,353	–	–	726,105	2,003,458
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	–	(257)	(257)
Changes in percentage holding in subsidiaries	–	–	–	–	–	–	(22,344)	(22,344)	–	–	21,444	(900)
Revaluation surplus realised on depreciation	–	–	(5,660)	–	–	–	5,660	–	–	–	–	–
Convertible bonds issued	–	–	–	–	–	–	–	–	–	744,083	–	744,083
Interests on convertible bonds	–	–	–	–	–	–	–	–	–	–	(4,963)	(4,963)
Other movements in reserves and retained earnings	–	–	(166,941)	89,930	126,315	(89,930)	40,626	–	–	–	–	–
Movement in reserves of associated companies	–	–	–	–	(2,579)	11,241	(8,662)	–	–	–	–	–
Shares issued to non-controlling interests	–	–	–	–	–	–	–	–	–	–	182,088	182,088
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(337,775)	(337,775)
Dividends (Note 19)	–	–	–	–	–	–	(299,299)	(299,299)	–	–	–	(299,299)
At 30 June 2021	1,361,941	2,382,387	2,844,526	1,189,640	137,690	75,877	7,049,184	15,041,245	5,000	744,083	11,672,133	27,462,461
At 1 July 2021												
– As previously reported	**1,361,941**	**2,382,387**	**2,744,996**	**1,189,640**	**137,690**	**123,936**	**7,087,865**	**15,028,455**	**5,000**	**744,083**	**11,694,104**	**27,471,642**
– Effect of prior year restatements (Note 44)	**–**	**–**	**99,530**	**–**	**–**	**(48,059)**	**(38,681)**	**12,790**	**–**	**–**	**(21,971)**	**(9,181)**
– As restated	**1,361,941**	**2,382,387**	**2,844,526**	**1,189,640**	**137,690**	**75,877**	**7,049,184**	**15,041,245**	**5,000**	**744,083**	**11,672,133**	**27,462,461**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**1,182,613**	**1,182,613**	**–**	**–**	**782,204**	**1,964,817**
Other comprehensive income/(loss) for the year	**–**	**–**	**275,884**	**(283,930)**	**27,555**	**172,972**	**(158,492)**	**33,989**	**–**	**–**	**358,418**	**392,407**
Total comprehensive income/(loss) for the year	**–**	**–**	**275,884**	**(283,930)**	**27,555**	**172,972**	**1,024,121**	**1,216,602**	**–**	**–**	**1,140,622**	**2,357,224**
Changes in percentage holding in subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**(40,090)**	**(40,090)**	**–**	**–**	**(60,824)**	**(100,914)**
Disposal of subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**19,722**	**19,722**
Transfers between reserves	**–**	**–**	**(8,656)**	**18,452**	**1,352**	**82,600**	**128,316**	**222,064**	**–**	**–**	**(222,064)**	**–**
Other movements in reserves of subsidiaries	**–**	**–**	**71,738**	**–**	**–**	**–**	**(68,445)**	**3,293**	**–**	**–**	**3,377**	**6,670**
Other movements in reserves of associates	**–**	**–**	**–**	**–**	**–**	**–**	**(69,722)**	**(69,722)**	**–**	**–**	**–**	**(69,722)**
Convertible bonds issued	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**716,200**	**–**	**716,200**
Interest on convertible bonds	**–**	**–**	**–**	**–**	**–**	**–**	**(21,805)**	**(21,805)**	**–**	**–**	**(16,808)**	**(38,613)**
Shares issued to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**22,167**	**22,167**
Dividends paid to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(377,932)**	**(377,932)**
Dividends (Note 19)	**–**	**–**	**–**	**–**	**–**	**–**	**(408,134)**	**(408,134)**	**–**	**–**	**–**	**(408,134)**
At 30 June 2022	**1,361,941**	**2,382,387**	**3,183,492**	**924,162**	**166,597**	**331,449**	**7,593,425**	**15,943,453**	**5,000**	**1,460,283**	**12,180,393**	**29,589,129**

Note (a): Other reserves include cash flow hedge movement, profits transferred from retained earnings for appropriation purpose as well as reserve adjustments following changes in shareholding of subsidiaries without loss of control.

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

THE COMPANY

	Stated capital	Fair value reserve	Revaluation reserve	Capital contribution reserve	Retained earnings	Equity attributable to ordinary shareholders	Restricted redeemable shares	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 1 July 2020	1,361,941	3,276,363	193,103	5,383,752	5,054,408	15,269,567	5,000	15,274,567
Profit for the year	–	–	–	–	11,080	11,080	–	11,080
Other comprehensive income for the year	–	2,974,331	26,332	–	172,446	3,173,109	–	3,173,109
Total comprehensive income for the year	–	2,974,331	26,332	–	183,526	3,184,189	–	3,184,189
Dividends (Note 19)	–	–	–	–	(299,299)	(299,299)	–	(299,299)
At 30 June 2021	1,361,941	6,250,694	219,435	5,383,752	4,938,635	18,154,457	5,000	18,159,457
At 1 July 2021	**1,361,941**	**6,250,694**	**219,435**	**5,383,752**	**4,938,635**	**18,154,457**	**5,000**	**18,159,457**
Profit for the year	**–**	**–**	**–**	**–**	**244,311**	**244,311**	**–**	**244,311**
Other comprehensive income for the year	**–**	**3,643,355**	**–**	**–**	**(73,699)**	**3,569,656**	**–**	**3,569,656**
Total comprehensive income for the year	**–**	**3,643,355**	**–**	**–**	**170,612**	**3,813,967**	**–**	**3,813,967**
Transfer of fair value reserves to retained earnings	**–**	**(409,641)**	**–**	**–**	**409,641**	**–**	**–**	**–**
Dividends (Note 19)	**–**	**–**	**–**	**–**	**(408,134)**	**(408,134)**	**–**	**(408,134)**
At 30 June 2022	**1,361,941**	**9,484,408**	**219,435**	**5,383,752**	**5,110,754**	**21,560,290**	**5,000**	**21,565,290**

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
OPERATING ACTIVITIES				
Profit before tax from continuing operations	2,678,060	367,608	256,122	43,055
Profit/(loss) before tax from discontinued operations	23,123	(145,810)	–	–
Profit before tax	2,701,183	221,798	256,122	43,055
Adjustments to reconcile profit/(loss) before tax to net cash flows:				
Share of profits from associates	(870,570)	(731,598)	–	–
Share of profits from joint ventures	(34,986)	(25,431)	–	–
Depreciation and impairment of property, plant and equipment	1,771,952	1,627,502	43,301	62,335
Amortisation of intangible assets	95,218	92,132	9,722	14,138
Depreciation on right of use assets	581,940	578,247	24,528	22,716
Profit on disposal of property, plant and equipment, intangible assets and investment properties	(28,496)	(12,990)	(493)	(614)
Assets written off	124,557	17,755	2,538	4,347
Impairment of property, plant and equipment and right of use assets	247,620	83,360	–	7,490
Termination of lease	(3,843)	(17,776)	–	(7,717)
Amortisation of grants	(21,890)	(4,801)	–	–
Loss on disposal of held for sale assets	–	60,888	–	–
Impairment of goodwill	380,747	23,731	–	–
Gain on bargain purchase of associates	(21,631)	–	–	–
Gain on disposal and winding up of subsidiaries	(42,939)	(218,575)	–	–
Gain on disposal of associates	(158,236)	(59,724)	–	–
Impairment loss on associates and joint ventures	259,942	51,119	–	–
Impairment of held for sale assets	7,414	86,452	–	–
Exchange differences	(15,562)	(166,246)	(8,019)	(14,586)
Dividend income	(26,134)	(6,020)	–	–
Interest income	(63,411)	(84,831)	(1,394)	(13,839)
Interest expense	1,258,228	1,227,629	433,683	360,997
Movement in employee benefit liabilities	9,428	(2,667)	(5,413)	(58,919)
Fair value of investment properties	(290,279)	(124,207)	–	–
Fair value movement on land conversion rights	(1,576)	–	–	–
Fair value movement on consumable biological assets	20,291	(10,443)	–	–
Fair value movement on other financial assets measured at FVTPL	13,395	(85,667)	–	(3,500)
Expected credit losses on other financial assets and financial guarantee contracts	(127,256)	125,310	(38,107)	40,000
Release from general insurance fund	(23,853)	(49,175)	–	–
	5,741,253	2,595,772	716,468	455,903
Working capital adjustments:				
Movement in consumable biological assets	(42,950)	1,792	–	–
Movement in inventories	(1,893,456)	(940,962)	(390,751)	(226,645)
Movement in non-current loan receivables	11,475	(142,330)	(86,582)	(7,195)
Movement in contract assets	116,123	(287,177)	–	–
Movement in trade and other receivables	(980,002)	877,414	(111,463)	(556,653)
Movement in net insurance claims	36,409	(23,655)	–	–
Movement in trade and other payables	1,599,139	889,322	415,470	(200,694)
Movement in contract liabilities	290,930	122,023	(15,737)	15,737
CASH GENERATED FROM/(USED IN) OPERATIONS	4,878,921	3,092,199	527,405	(519,547)
Interest paid	(1,213,688)	(1,160,414)	(430,219)	(328,153)
Tax paid, net of refund	(222,898)	(220,787)	56	(1,624)
NET CASH FLOW GENERATED FROM/(USED IN) OPERATING ACTIVITIES	3,442,335	1,710,998	97,242	(849,324)

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
NET CASH FLOW GENERATED FROM/(USED IN) OPERATING ACTIVITIES	3,442,335	1,710,998	97,242	(849,324)
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(2,663,917)	(2,591,009)	(73,343)	(29,245)
Purchase of intangible assets	(127,702)	(107,198)	(4,744)	(1,377)
Purchase of investment properties	(97,984)	(30,054)	–	–
Purchase of right of use assets	(38,887)	(82,106)	–	–
Proceeds from sale of property, plant and equipment, investment properties and intangible assets	373,657	520,648	62,842	1,418
Proceeds from sale of investments	289,714	306,824	–	3,500
Acquisition of investments	(423,691)	(551,076)	(71,418)	(268,854)
Net cash outflow on acquisition of subsidiaries (Note 38(a))	(271,781)	(109,432)	–	(199,327)
Net cash inflow on disposal and winding up of subsidiaries (Note 38(b))	15,490	280,049	–	–
Dividend received from associated companies and joint ventures	382,031	–	–	–
Dividend received	26,134	6,020	–	–
Interest received	63,411	84,831	1,394	13,839
NET CASH FLOW USED IN INVESTING ACTIVITIES	(2,473,525)	(2,272,503)	(85,269)	(480,046)
FINANCING ACTIVITIES				
Net movement in borrowings	163,824	3,467,311	(84,594)	2,708,837
Repayment of lease liabilities	(575,243)	(430,150)	(26,374)	(21,613)
Convertible bonds issued	716,200	744,083	–	–
Interests on convertible bonds	(38,613)	(4,963)	–	–
Shares issued to non-controlling shareholders	22,167	182,088	–	–
Dividend paid to non-controlling shareholders	(242,263)	(329,984)	–	–
Dividend paid to owners of the Company	(632,608)	(340,112)	(632,608)	(340,112)
NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(586,536)	3,288,273	(743,576)	2,347,112
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	382,274	2,726,768	(731,603)	1,017,742
NET FOREIGN EXCHANGE DIFFERENCE	81,063	65,962	8,019	14,586
CASH AND CASH EQUIVALENTS AT 1 JULY	2,391,230	(401,500)	(880,898)	(1,913,226)
CASH AND CASH EQUIVALENTS AT 30 JUNE	2,854,567	2,391,230	(1,604,482)	(880,898)
Represented by:				
Cash and cash equivalents	5,848,841	4,622,354	603,898	485,399
Bank overdrafts (Note 22)	(3,117,094)	(2,375,651)	(2,208,380)	(1,366,297)
Cash and equivalents attributable to assets classified as held for sale (Note 21)	122,820	144,527	–	–
	2,854,567	2,391,230	(1,604,482)	(880,898)

The notes form an integral part of these financial statements.

The Independent Auditor's report is on pages 208 to 213.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1. CORPORATE INFORMATION

IBL Ltd (the "Company") is a public company incorporated in Mauritius and its main activities are that of investment holding and trading in consumables and healthcare products. Its registered office and principal place of business is situated on the 4th, Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius.

IBL Ltd as a group (the "Group") has investments in subsidiaries, associates and joint ventures spanning over 9 clusters namely Agro and Energy, Building and Engineering, Commercial and Distribution, Financial Services, Hospitality and Services, Life and Technologies, Logistics, Property and Seafood. The Company is listed on the official market of the Stock Exchange of Mauritius and has a global presence in more than 20 countries.

2(A). APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

In the current year, the Group and the Company have applied all of the new and revised Standard and Interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 July 2021.

New and revised IFRSs that are effective for the current year

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for the current and prior periods but may affect the accounting treatment for future transactions or arrangements.

IFRS 4 Insurance Contracts – Amendments regarding replacement issues in the context of the IBOR reform

IFRS 7 Financial Instruments: Disclosures – Amendments regarding replacement issues in the context of the IBOR reform

IFRS 9 Financial Instruments – Amendments regarding replacement issues in the context of the IBOR reform

IFRS 16 Leases – Amendments to extend the exemption from assessing whether a COVID-19 related rent concession is a lease modification

IFRS 16 Leases – Amendments regarding replacement issues in the context of the IBOR reform

The adoption of the amendments had no impact on the financial performance and financial position of the Group and the Company.

New and revised IFRSs and IFRICs in issue but not yet effective

IAS 1 Presentation of Financial Statements - Amendments regarding classification of liabilities (effective 01 January 2023)

IAS 1 Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies (effective 01 January 2023)

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective 01 January 2023)

IAS 12 Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective 01 January 2023)

IAS 16 Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use (effective 01 January 2022)

IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous (effective 01 January 2022)

IFRS 3 Business Combinations - Amendments updating a reference to the Conceptual Framework (effective 01 January 2022)

IFRS 9 Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018 - 2020 (fees in the '10 per cent' test for derecognition of financial liabilities) (effective 01 January 2022)

IFRS 17 Insurance Contracts - Original issue (effective 01 January 2023)

IFRS 17 Insurance Contracts - Amendments regarding the initial application of IFRS 17 and IFRS 9

The directors anticipate that these amendments will be adopted in the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet had an opportunity to consider the potential impact of the adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and complied with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The financial statements have been prepared on a historical cost basis, except for:

- land and buildings which are carried at revalued amounts;
- investment properties which are carried at fair value;
- investments at FVTPL and FVOCI;
- biological assets except for bearer plants which are stated at fair value less estimated point of sale costs.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The separate and the consolidated financial statements are presented in Mauritian rupees and all values are rounded to the nearest thousand (Rs'000) except when otherwise indicated.

Going concern

The Company is the holding company of subsidiaries, associates and joint ventures spanning over 9 clusters namely Agro and Energy, Building and Engineering, Commercial and Distribution, Financial Services, Hospitality and Services, Life and Technologies, Logistics, Property and Seafood.

The directors and management have made an assessment of the Group's and the Company's ability to continue as a going concern and are satisfied that the Group and the Company have the resources to continue in business for the foreseeable future. Furthermore, directors and management are not aware of any material uncertainties that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Hence, the financial statements continue to be prepared on the going concern basis.

When making that assessment, the directors and management have taken into consideration the existing and longer term effects of the COVID-19 pandemic on the Group's and the Company's activities and their ability to post profitable results and positive cashflows for the year ended 30 June 2022. The directors will continue to monitor the impact of the situation on the Group and the Company.

Russia-Ukraine War

The geopolitical situation in Eastern Europe intensified in February 2022, with Russia's invasion of Ukraine, which is still ongoing as at reporting date. The war between the two countries continues to evolve as military activity proceeds and additional sanctions are imposed. The economic impact of the war depends on several variables that are difficult to predict.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (Continued)

Going concern (Continued)

Russia-Ukraine War (Continued)

Although the Group and the Company do not have any direct operations in Russia or Ukraine, the war has caused supply-chain disruptions for some raw materials, freight, and increased transportation delays. The respective management of the entities within the Group are following the situation and are applying rigorous demand planning of materials with increased stock level where necessary to mitigate this risk. They are also developing back-up suppliers for raw and packaging materials with a specific focus on geographical risks.

The Directors and management conclude that there are no material uncertainties on the Group's and the Company's activities resulting from the impact of the Russia-Ukraine geopolitical conflicts.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June each year. The Company controls an entity when it has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that the decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations

Acquisition method

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values, (at the date of exchange), of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. Contingent consideration that is classified as an asset or liability is remeasured at subsequently reporting dates in accordance with IFRS 9 Financial Instruments, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss in accordance with IFRS 9. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if those interests were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 Share-based Payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if the results in the non-controlling interests have a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Business combinations (Continued)

Acquisition method (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Business combination under common control

A business combination involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination is considered as business combination under common control.

In case of any acquisitions which meet the criteria of business combinations under common control the assets and liabilities are recorded at their previous carrying values and the difference between the purchase consideration and share of net assets transferred are accounted for as an adjustment to equity as common control reserve in the retained earnings.

(d) Investment in subsidiaries

In the Company's financial statements, investment in subsidiaries are measured at fair value and are classified as financial assets at FVTOCI under IFRS 9. The gains and losses in fair value are recognised in other comprehensive income and accumulated under the heading of fair value reserves.

(e) Investment in associates and joint ventures

Associates are entities in which the Company or the Group has significant influence but which are neither a subsidiary nor a joint venture of the Company or the Group. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing joint control.

Financial statements of the Company

Investment in associates and joint ventures are measured at fair value and are classified as financial assets at FVTOCI under IFRS 9. The gains and losses in fair value are recognised in other comprehensive income and accumulated under the heading of fair value reserves.

Financial statements of the Group

The policy for the equity method of accounting described below is specific to the consolidated financial statements.

Equity method of accounting

The results and assets and liabilities of associates and joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates and joint ventures are initially carried in the consolidated statement of financial position at cost and adjusted for post-acquisition changes in the Group's share of the profit or loss and other comprehensive income of the associates and joint ventures. Losses of an associate or joint venture in excess of the Group's interest in that associate or joint venture (which includes any long-term interests, that in substance, form part of the Group's net investment in the associate and joint venture) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Investment in associates and joint ventures (Continued)

Equity method of accounting (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date of equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or joint venture of the Group, profits or losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term assets interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

The accounting policies of the associates and joint ventures are in line with those used by the Group.

(f) Foreign currency translation

Functional and presentation currency

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Mauritian rupees, which is the presentation currency for the consolidated financial statements.

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated into the entity's functional currency at the rates of exchange prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Foreign currency translation (Continued)

Transactions and balances (Continued)

Exchange differences are recognised in profit or loss in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- Exchange differences on transactions entered into to hedge certain foreign currency risks.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

Group companies

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Mauritian rupee using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. The exchange differences arising from translation of the foreign operations are recognised in other comprehensive income and accumulated in equity (Currency translation reserve) and attributed to non-controlling interests as appropriate.

On the disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of the associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

(g) Property, plant and equipment

Subsequent to the initial recognition at cost, land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity (1 to 4 years) to ensure that the fair value of a revalued asset does not differ materially from its carrying amount at the reporting date.

Any revaluation surplus is credited in other comprehensive income and accumulated in equity to the property revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss in which case the increase is recognised in profit or loss to the extent of the decrease previously charged. A revaluation deficit is recognised in profit or loss, to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

On the subsequent sale or retirement of a revalued property, the revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings.

Other plant and equipment are stated at cost or valuation less accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line method to write off the cost of assets, or the revalued amounts, to their estimated residual values over their estimated useful life as follows:

Buildings	- 1% - 10% p.a.
Plant and equipment	- 1% - 33.3% p.a.
Motor vehicles	- 6.7% - 25% p.a.
Office furniture and equipment	- 5% - 33.3% p.a.
Computer and security equipment	- 14.3% - 50% p.a.
Containers	- 10% - 20% p.a.

Land and assets in progress are not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the year the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

(h) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains and losses arising from changes in the fair value of investment property are included in the profit or loss in the period in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Subsequent to initial recognition, the right of use assets meeting the definition of investment property are recognised as part investment property and measured using the fair value model as per the provision of IAS 40. Gains and losses arising from changes in the fair value of right of use assets are included in profit and loss in the period in which they arise, including the corresponding tax effect.

(i) Intangible assets

(i) Goodwill

Goodwill arising in a business combination is recognised as an asset at cost as established at the date that control is acquired (the acquisition date) less any accumulated impairment losses, if any. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Intangible assets (Continued)

(i) Goodwill (Continued)

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the related amount of goodwill is included in the determination of the profit or loss on disposal. The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described in Note 2B(e).

(ii) Other intangible assets

Other intangible assets include trademarks, computer software and land conversion rights. Intangible assets acquired separately are measured on initial recognition at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised but are recognised as expenses in the period in which they are incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year-end with the effect of any changes in estimate being accounted for on a prospective basis. The intangible assets are amortised over a period of 2 to 10 years.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised.

(j) Impairment of non-financial assets excluding goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Land conversion rights

Land conversion rights are in relation to the reform of the Sugar Industry in the years 2000, which necessitated redundancy payments in the form of cash and serviced land, as well as capital expenditure for capacity expansion and optimisation. These capital expenditure investments and expenses have been financed by debt. To assist the repayment of these debts, Government granted a tax exemption to the Sugar Industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity. An LCR is recognised as a non-current asset and is initially measured at fair value at the date on which the Company is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control) or use for converting agricultural land into residential land for land projects. Any gain or loss on derecognition of the LCR is included in profit or loss.

LCRs are tested annually for impairment. When the carrying amount of the asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), used internally for converting agricultural land into residential land for land projects or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the LCR is included in profit or loss.

(l) Financial instruments

Financial assets and financial liabilities are recognised in an entity's statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, an entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- The entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Finance income - Other' line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (ii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group and the Company designate an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (ii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group and the Company have not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

(iii) Financial assets at FVTPL (Continued)

The Group and the Company have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition of IFRS 9. Held for trading financial assets or financial assets that do not meet the SPPI test are measured at FVTPL. All other financial assets are measured at amortised costs.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment revaluation reserve.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above).
- The amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company apply the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all investments in debt instruments and loans, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12-month ECL.

For all the other financial instruments, the Group and the Company recognise lifetime ECL until they are derecognised due to short-term nature of the receivables and have been assessed to have credit risk other than low.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

i. Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, an entity compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the entity considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

ii. Definition of default

The Group and the Company consider a financial asset in default when contractual payments are past due for a period ranging from 90 to 360 days depending on the business environment in which each entity operates. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

iii. Write off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

iv. Recognition of expected credit losses

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group and the Company have elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

Convertible bonds

Convertible bonds that are convertible at a fixed amount of cash for a fixed number of equity shares are classified as equity on initial recognition based on the subscription proceeds received, net of transactions costs and is not subsequently remeasured. Interests payable on the bonds are recognised directly in retained earnings in statement of changes in equity.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

The Group and the Company do not have any financial liabilities that are measured at FVTPL.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Group and the Company measured all their financial liabilities at amortised cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Financial instruments (Continued)

Derivative financial instrument

The Group and the Company enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group and the Company have both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group and the Company generally designate the whole hybrid contract at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

(m) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

(n) Client monies

The term "client money" is used to describe a variety of arrangement in which the Group holds funds on behalf of clients. Client money should be recognised as an asset, and an associated liability, if the general definition of an asset as per the Conceptual Framework for Financial Reporting is met. The Conceptual Framework for Financial Reporting defines an asset as "a present economic resource controlled by the entity as a result of past events", with an economic resource being defined as "a right that has the potential to produce economic benefits". If both conditions apply, the client money should be recognised as an asset of the reporting entity.

(o) Cash and cash equivalents

Cash comprises cash at bank and in hand and demand deposits or deposits with an original maturity of three months or less net of bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory. Purchase cost is calculated on a weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(q) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(r) Leases

The Group and the Company as lessee

An entity assesses at contract inception whether a contract is, or contains, a lease. The entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the entity recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

The Group and the Company as lessee (Continued)

An entity remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever an entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

· Land & Buildings	7 to 60 years
· Plant and equipment	5 to 10 years
· Motor vehicles	5 to 7 years
· Office furniture and computer equipment	1 to 5 years

If ownership of the leased asset transfers to the entity at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are presented as a separate line in the statement of financial position.

An entity applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'administrative expenses' in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The lease contracts do not have lease and non-lease components and hence the Group and the Company have not used this practical expedient.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which an entity is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group has only operating lease contracts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Leases (Continued)

The Group as a lessor (Continued)

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(s) Taxation

The income tax expense represents the current tax provision and the movement in deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where an entity operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The principal temporary differences arise from depreciation on property, plant and equipment, revaluations of certain non-current assets, tax losses carried forward and on retirement benefit obligations.

Deferred income tax liabilities are recognised for all taxable temporary differences and deferred income tax assets are recognised for all deductible temporary differences, to the extent that it is probable that sufficient taxable profit will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recorded if the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Corporate Social Responsibility ("CSR")

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in the profit or loss and the income tax liability on the statement of financial position.

The CSR charge for the current year is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Retirement benefit obligations

Defined contribution schemes

Payments to defined contribution retirement plans are charged as an expense when employees have rendered service entitling them to the contributions.

Defined benefit schemes

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item administrative expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the statements of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other retirement benefits

The present value of other retirement benefits as provided under The Worker's Rights Act 2019 is recognised in the statement of financial position as a non-current liability and is not funded. The recognition and presentation of the components of the retirement gratuities are similar to the defined benefit plan (as above).

State plan

Contributions to the National Pension Scheme are expensed to profit or loss in the period in which they fall due.

(u) Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the entity expects to be entitled in exchange for transferring promised goods or services to a customer, net of taxes, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. Revenue recognised are net of Value Added Taxes and other taxes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

The Group and the Company recognise revenue from the following major sources:

Building and Engineering

- Revenue from construction contracts as well as mechanical, electrical and plumbing (MEP)
- Revenue from interior design including manufacture and sale of furniture
- Supply and installation of air conditioners and elevators
- Construction and repairs of ships and sale of related parts
- Sale of building materials and manufactures aggregates, rocksand, concrete blocks and other construction materials for resale
- Sale of various concrete building components including decorative items, agricultural products and garden accessories

The Group has mid to long term contracts with customers in relation to revenue from construction and MEP contracts, interior design, manufacture and sale of furniture including installation of air conditioners and elevators as well as repairs of ships. Construction contracts involving engineering services comprise multiple deliverables which are highly integrated and are therefore recognised as a single performance obligation. Under the terms of these contracts, the Group creates or enhances the assets that the customer controls and has an enforceable right to payment for work done.

Revenues from these contracts are therefore recognised over time on an input method, i.e. based on cost incurred to date (excluding costs incurred but do not depict the progress towards completion), Management considers this method to be an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15.

The Group becomes entitled to invoice customers for the above based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third-party assessor and an invoice for the related milestone payment. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the input cost method, then the Group recognises a contract liability for the difference. This is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue under the input method and the milestone payment is always less than one year. Advance received are included in contract liabilities.

Revenue from maintenance, repairs and after sale service contracts are considered as distinct services and are invoiced separately for each service provided. Revenue from these are recognised over time when the services have been provided.

Receivables are recognised by the Group when the goods and services are delivered to the customers as this represent the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Commercial and Distribution

- Processing and sale of beverages (predominantly for local sale)
- Sale of fast-moving consumer products (wholesale)
- Sale of fast-moving consumer products (operate chain of supermarkets)
- Sale of pharmaceutical products and equipment (wholesale and export)
- Sale of pharmaceutical products (operate chain of pharmacies)
- Sale of printing equipment and related consumables
- Supply and installation of heavy machineries and generators
- Sale of parts for electro diesel and hydraulic equipment
- Sale of agrochemical products, detergents and fire-retardant products
- Supply and installation of irrigation equipment
- Sale of electrical accessories, parts, power tools, furniture and water pumps
- Rental of handling equipment
- Servicing and maintenance services including after sales service

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Commercial and Distribution (Continued)

Revenue on consumer, printing and pharmaceutical products is recognised when control of the goods has been transferred, being when the products are delivered and accepted by the customers i.e. at a point in time. For wholesale, the customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

Sale of equipment, parts and other products are made directly to customers and revenue is recognised by the Group at a point in time when control of the goods has been transferred to the customers, i.e. delivered and accepted by the customers. Where installation service is not considered to be perfunctory to the sale of the equipment, a separate performance obligation is identified for the installation service and the Group allocate the transaction price based on the relative stand alone selling prices of the equipment and installation services. Revenue is recognised upon completion of installation.

Revenue from maintenance, repairs and after sale service contracts are considered as distinct services and are invoiced separately for each service provided. Revenue from these are recognised over time when the services have been provided.

For exports, revenue is recognised when control of the goods has been transferred to the customers. In majority of the cases, this condition is met when the goods are loaded on the ship and customer receives the bill of lading (delivery). In certain cases, revenue is recognised when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has primary responsibility when onselling the goods and bears all the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Some of the products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the selling price net of the estimate volume discounts. The estimate for volume discount is based on the most likely amount method.

There is no right of return policy on the sale of some equipment. Warranty granted on the equipment are assurance type warranty and are accounted in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The Group and the Company have trade agreements with some of its customers where cash payments are made to them in order to have their products prominently displayed (slotting fees) and for co-operative advertising (advertising by the customers of the company's products). The consideration payable to a customer is accounted for as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity.

Logistics

- Revenue from shipping and aviation services
- Revenue from warehousing and related services
- Freight forwarding and custom clearing service
- Transport services - transport of cargo and passengers
- Travel related services - corporate and leisure

Revenue for providing these services is recognised in the period in which the services are rendered. Each service is considered as distinct and represent a performance obligation and price for each service are agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Logistics (Continued)

For some contracts relating to freight forwarding and transport services, the Group has determined whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. it is acting as a principal) or to arrange for those services to be provided by other party (i.e. it is acting as an agent). Main factors considered are control over fulfilling the promise to provide the specified service and discretion over establishing the pricing. The revenue contracts in relation to freight forwarding include factors indicating that the Group acts as either principal or agent depending on nature of promise and revenue has been recognised as either gross or net wherever applicable. With respect to transport services for passengers, the Group has determined that it is acting as principal and revenue has been recognised as gross.

Seafood

- Manufacturing and sale of seafood and associated products (predominantly for export)
- Handling and storage of seafood products

Revenue is recognised when control of the goods has been transferred, being when the products are delivered and accepted by the customers i.e. at a point in time. The customers have full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products.

For exports, revenue is recognised when control of the goods has been transferred to the customers. In majority of the cases, this condition is met when the goods are loaded on the ship and customer receives the bill of lading (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has primary responsibility when selling the goods and bears all the risks of obsolescence and loss in relation to the goods.

Revenue from providing handling services for seafood products is recognised in the period in which the services are rendered.

A receivable is recognised when the goods and services are delivered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

There is no right of return policy on the sale of goods.

Financial Services

- Management services to local corporates and global business (include secretarial, human resource, information technology and other related services)
- Treasury management and related services
- Income from insurance contracts and insurance premiums

Revenue for providing these services is recognised in the period in which the services are rendered. Each service is considered as distinct and represent a performance obligation and price for each service are agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Revenue arising from insurance contracts falls under IFRS 4. Insurance contracts are those contracts that transfer significant insurance risk at the inception of the contract. Such contracts remain insurance contracts until all rights and obligations are extinguished or expired. Gross premiums (including the marine business) on general business are earned on a pro-rata basis over the term of the policy coverage. The movement on the provision for unearned premiums is transferred to the general insurance fund based on the 1/24th method. Premiums are shown gross of commission.

Property

- Rental income and related services
- Property development and management services

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Property (Continued)

Rental income from utilisation of investment properties are recognised on straight line basis over the tenure of the lease – refer to accounting policy on leases.

Revenue from property management services is recognised in the period in which the services are rendered. Each service is considered as distinct and represent a performance obligation and price for each service are agreed with customers and defined in respective contracts.

A receivable is recognised when the services are rendered, as this represents the point in time at which the right to consideration becomes unconditional, because only passage of time is required before payment is due.

Hospitality and Services

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

The main streams of revenue are as follows:

- Room revenue is recognised when performance obligation performed, i.e. once the guests check-in at the hotel premises. Revenue is recognised daily.
- Food & Beverages revenue is generated from packaged sales (e.g. half boards, full boards or All-inclusive) or through direct sales at the restaurants or bars. Packaged sales are recognised as revenue daily when it is probable that the future economic benefits will flow to the entity and those benefits can be measured reliably, i.e., upon consumption.
- Revenue recognised in other operating departments include the provision of services such as laundry, spa and boutique sales. The Group acts as an agent from time to time (e.g. for diving, big game fishing, horse riding, etc.). In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result on increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.
- Management fees are recognised on an accrual basis.

Life and Technologies

Revenue is segregated as follows:

- Revenue from cosmetics trials;
- Revenue from pharmaceutical trials.

Cosmetics trials are divided into 3 classes following their deliverables:

1) Sun Protection Factor (SPF) trials - The SPF trials are studies that last for 1-day to 1-week. There is only 1 deliverable for such trials which is sending of results to clients. Hence, revenue will be recognized at the end of the trials.

2) Standard trials - The standard trials are studies that last for 1-week to 1-month. There are 2 key deliverables for such trials which are signature of protocol and sending of report. Hence, revenue will be recognized when the protocol is signed and when the report is sent to the clients.

3) Long-term trials - The long-term trials are studies that last for 1-month or more. For such studies the deliverables are mentioned in the quotation. Below is an illustration of the deliverable for a long-term study:

   - Reception of Purchase Order - 25% of Study Cost
   - Inclusion of all subjects - 25% of Study Cost
   - Last visit of the last subject - 40% of Study Cost
   - Final report - 10% of Study Cost

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Revenue recognition (Continued)

Hence, revenue will be recognized as and when the above milestones are achieved.

Pharma trials are long-term studies that last for 1-year to 5-years. The study quotation is divided in 2 parts:

- Conduct of study costs (Clinical Monitoring / Site Management & Quality Assurance units)
- Pass-through costs incurred

For Pharma trials the revenue of the conduct of study is recognized on an equal monthly basis over a specified time period since the tasks are repetitive. Revenue relating to pass-through are recognized as and when costs are incurred.

Other income

Other income earned are recognised on the following basis:

Interest income – as it accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividend income – when the shareholder's right to receive payment is established.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to the accounting policies of financial assets in section 2B(l)(i).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

(v) Biological assets

(i) Bearer biological assets

Bearer biological assets comprising of sugar cane ratoons and plantation costs are capitalised and amortised over the period during which the Group expects to benefit from the asset, usually seven years.

(ii) Consumable biological assets

Consumable biological assets represent standing cane and plants and are stated at fair value. The fair value is measured as the expected net cash flows from the sale of the cane and plants discounted at the relevant market determined pre-tax rate.

(w) Related parties

Related parties include individuals and companies where the individual or company has the ability directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Affiliates are related parties of the company which cannot be considered as parent or subsidiary as defined by IAS 27, as associate and joint venture as defined by IAS 28, or as key management personnel as defined by IAS 24.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

(y) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of the assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

(z) Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(z) Hedge accounting (Continued)

The Group currently has only cash flow hedges which are accounted for as follows:

- The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.
- Amounts taken to other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.
- If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remains separately in equity until the forecast transaction or firm commitment affects profit or loss.

(aa) Share based payment

Some executives of the Group receive remuneration in the form of share-based payments which is cash-settled. For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(ab) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Government Wage Assistance Scheme (commonly referred to as COVID-19 levy payable)

The Group and the Company applied for the Government Wage Assistance Scheme ('GWAS') during the year due. The GWAS is an economic measure by the Government of Mauritius to provide a wage subsidy to employers as a response to the COVID -19 pandemic and to ensure that all employees are duly paid their salary. Grants in respect of wages obtained under the wage assistance scheme are accounted for in the statement of profit or loss in the period to which the wages relate. Repayment of the grant (COVID-19 Levy) is contingent on the chargeable income of the entity over the current and next years and is recognised as a levy repayable to the tax authorities and accounted in trade and other payables (Note 25).

(ac) Fair value measurement

The Group and the Company measure its financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ac) Fair value measurement (Continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(ad) General Insurance Fund

The provision for unearned premiums represents that part of the written premiums on short-term insurance contracts, gross of commission payable to intermediaries, that is estimated to be earned in subsequent periods. Unearned premiums are computed on 1/24th method. The change in the provision is recorded in the statement of profit or loss and other comprehensive income to recognise revenue over the period of the risk. The provision is transferred to or released to the General Insurance Fund. The provision is derecognised when the contract expires, is discharged or cancelled.

(ae) Outstanding claims

Outstanding claims represent the estimated liability for claims reported plus losses incurred but not yet reported and the related loss adjustment expenses. Claims and loss adjustment expenses are charged to the statement of profit or loss and other comprehensive income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claim settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Company. The liability for losses and loss adjustment expenses is determined using "case basis" evaluations and statistical analysis and represents an estimate of the ultimate cost of all losses incurred but not paid at the end of the reporting period. Although considerable variability is inherent in such estimates, management believes that the liability for unpaid losses and loss adjustment expenses is adequate. These estimates are continually reviewed and adjusted as necessary, such adjustments are reflected in current operations.

(af) Salvage and subrogation reimbursements

Some insurance contracts permit the company to sell property acquired in settling a claim (i.e. Salvage). The Company may also have the right to sue third parties for payment of some or all the costs incurred (i.e. subrogation). Estimate of salvage recoveries are included as allowance in the measurement of the insurance liability for claims, and salvage property is recognised in other assets when the liability is settled.

(ag) Reinsurance

The Group enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outwards reinsurance premiums are accounted for in the same period as the related premiums for the direct or inwards reinsurance business being reinsured.

Reinsurance liabilities comprise premiums payable for outwards reinsurance contracts and are recognised as an expense when due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

2(B). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ag) Reinsurance (Continued)

Reinsurance assets include balances due from reinsurance companies for paid and unpaid losses. Reinsurance assets are measured consistently with the amounts associated with the underlying insurance or investment contracts and in accordance with the terms of the reinsurance contract. Reinsurance is recorded as an asset unless a right of set-off exists, in which case the associated liabilities are reduced to take into account of reinsurance.

Reinsurance assets are subject to impairment testing and the carrying amount is reduced to its recoverable amount. The impairment loss is recognised in the statement of profit or loss and other comprehensive income. The asset is impaired if objective evidence is available to suggest that it is probable that the Group will not be able to collect the amounts due from reinsurers.

Gains and losses on buying reinsurance are recognised in income at the date of purchase and are not amortised.

(ah) Liability adequacy

At the end of each reporting period the Company performs a liability adequacy test on its insurance liabilities to ensure that the carrying value is adequate, using current estimates of future cash flows (including claims handling and related costs), taking into account the relevant investment return. If that assessment shows that the carrying amount of the liabilities is inadequate, any deficiency is recognised as an expense to the statement of profit or loss and other comprehensive income by recognising an additional liability for claims provisions or recognising a provision for unexpired risks.

(ai) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Group classifies all other liabilities as non-current.

(aj) WIIV Loyalty Programme

The Group has a customer loyalty programme whereby customers are awarded with reward credits (loyalty points) which are effectively used as cash back against future purchases. Loyalty points granted to customers participating in the loyalty programme provide rights to customers that need to be accounted for as a separate performance obligation.

The fair value of the consideration received under loyalty programme is allocated between the sale of goods supplied and the loyalty points granted. The consideration allocated to the loyalty points is measured by reference to their relative stand alone selling price which is calculated as the amount for which the loyalty points could be separately sold, adjusted for an expected forfeiture rate. Such consideration is not recognised as turnover at the time of the sales transaction but is recognised as a deferred revenue liability until the loyalty points have been redeemed or forfeited. The likelihood of redemption, based on management's judgment of expected redemption rates, is reviewed on a regular basis and any adjustments to the deferred revenue liability is recognised in turnover.

(ak) Comparative figures

Where necessary, comparative figures have been restated or reclassified to conform to the current year's presentation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires the directors and management to exercise judgment in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgments and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Judgments

In the process of applying the Group's and the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Determination of functional currency of the group entities

As described in Note 2(B)(f), the determination of the functional currency of each group entity is critical since the way in which every transaction is recorded and whether exchange differences arise are dependent on the functional currency selected. In making this judgment, the directors and management have considered the currencies in which revenue is received, the currency of the country whose competitive forces and regulations matter, the currencies in which labour, material and other costs are settled, the currencies in which the funds from financing activities are generated and the currency in which receipts from operating activities are usually retained. The directors and management have determined that the functional currency of the Company as well as that of most subsidiaries is the Mauritian rupee, except for the foreign subsidiaries.

Classification as subsidiaries

The Group considers certain entities over which it controls less than 50% of the voting rights as subsidiaries. The remaining ownership interests of these entities, where most of them are listed on the Stock Exchange of Mauritius, are held by several widely dispersed shareholders not related to the Group. The directors and management have assessed whether or not the Group has control over these entities based on whether the Group has the practical ability to direct the relevant activities.

In making their judgment, the directors and management considered the Group's absolute size of holding and the relative size and dispersion of the shareholdings owned by the other investors. After assessment, the directors and management concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities and therefore has control over these entities.

With respect to one of the subsidiaries where the Company has less than 50% shareholding and thus voting rights, based on the contractual arrangements between the Company and the other investors, the Company has the power to appoint and remove the majority of the board of directors that has the power to direct the relevant activities of the entity. Therefore, the directors and management concluded that the Company has the practical ability to direct the relevant activities and thus has control over the entity. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group and the Company determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured and how the risks affecting the performance are managed. Monitoring is part of the Group's and the Company's continuous assessment of whether the business model for which the financial assets are held continues to be appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Leases

Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (12 months). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property lease classification - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less cost to sell and value in use, calculated on the basis of management's assumptions and estimates. Changing the key assumptions, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the value-in-use calculations.

Impairment of goodwill

As described in Note 6, the Group determines whether goodwill is impaired on an annual basis. This requires an estimation of the 'value in use' of the cash generating units to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

In relation to Note 7 in the notes to the financial statement, deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The directors have made an assessment and believe that the deferred tax assets are recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Estimates and assumptions (Continued)

Retirement benefit obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include a selection of discount rate.

The Group and the Company determine the appropriate discount rate at the end of each year. The Nelson Siegel model has been used to derive a yield curve and to extrapolate the discount rates at the corresponding duration for this year's exercise for the Group and the Company. Other key assumptions for pension obligations are based in part on current market conditions. The mortality rate is based on publicly available mortality tables and will change only at intervals in response to demographic changes.

These assumptions are considered to be a key source of estimation uncertainty as relatively small changes in the assumptions used may have a significant effect on the Group's and the Company's financial statements within the next year. Further information on the carrying amounts of the Group's and the Company's defined benefit obligation and the sensitivity of those amounts to changes in discount rate are provided in Note 24.

Property valuation

The Group measures land and buildings and investment properties at fair value based on periodic valuations by external independent valuers and as estimated by the directors and management based on reference to their knowledge on the current market evidence of transaction prices for similar properties. In arriving at the valuation, assumptions and economic estimates have to be made. The actual results could differ from their estimates and the directors and management consider they have used their best estimates to arrive at fair value of the properties. Reference is made to Notes 4 and 5 in the note to the financial statements.

Fair value of unquoted investments

Where there is no active market, the fair values of unquoted investments have been determined using valuation techniques including comparisons to similar recent transactions, reference to price earnings ratios of similar quoted investments, discounted cash flow and other valuation models. Such valuation exercises require that the Group makes estimates of future cash flows, discount rates and price earnings ratio as applicable to the relevant markets.

Provision for expected credit losses

The Group and the Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns as disclosed in Note 18. The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. Refer to Note 18 for more details.

In relation to ECLs for financial assets at amortised cost provided in Note 14, the Group and the Company determine credit rating of the corporate bonds and deposits to determine their probability of default by reference to the country rating. The Group and the Company also determine that there has been no significant increase in credit risk since initial recognition of the instruments since these assets are held with reputable banking institutions and listed entities and there has been no history of event of default.

In relation to the Company's loans and advances receivable from related parties, these are mainly repayable on demand and where the related companies do not have unrestricted cash at reporting date to repay the debts, management has determined expected credit losses based on future cash flows on the basis that the entities will continue to operate. The main assumption used in determining the cash flows is the discount rate and growth rate and any change in the assumption will change the estimated credit loss.

When measuring ECL, the Group and the Company use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the entity would expect to receive, taking into account cash flows from credit enhancements.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Estimates and assumptions (Continued)

Insurance contracts

The uncertainty inherent in the financial statements arise mainly in respect of insurance liabilities, which include outstanding claims provision (including IBNR). In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards the eventual outcome of claims. As a result, the Group applies estimation techniques to determine the appropriate provisions.

These estimates are described below.

The estimation of the ultimate liability arising from the claims made under insurance contracts is one of the Group's most important accounting estimates. There are sources of uncertainty that need to be considered in the estimate of the liability that the Group will eventually pay for such claims. Estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not reported ("IBNR") at the reporting date. The Group uses a range of actuarial methodologies to estimate these provisions. Liabilities for unpaid reported claims are estimated using the input of assessments for individual cases reported to the Group and management estimates based on past claims settlement trends for the claims incurred but not reported. General insurance loss reserves require significant judgment relating to factors and assumptions such as inflation, claims development patterns and regulatory changes.

Specifically, long-tail lines of business, which often have low frequency, high severity claims settlements, are generally more difficult to project and subject to greater uncertainties than short-tail, high frequency claims. Further, not all catastrophic events can be modelled using actuarial methodologies, which increases the degree of judgment needed in estimating general insurance loss reserves. At each reporting date, prior year claims estimates are reassessed for adequacy and changes are made to the provision.

The Group adopts multiple techniques to estimate the required level of provisions, thereby setting a range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and risks involved.

Recoverable amount on insurance and other receivables

In preparing those consolidated financial statements, the directors have made estimates of the recoverable amounts of insurance and other receivables and impaired those receivables where the carrying amounts exceeded recoverable amounts. The estimation of recoverable amounts involves an assessment of the financial condition of the debtors concerned and estimate of the timing and the extent of cash flows likely to be received by the Group.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities in Note 16. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand alone credit rating).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings	Infrastructure production	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Containers	Assets in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST/VALUATION									
At 01 July 2020									
– As previously reported	21,024,962	1,625,693	11,570,150	839,925	2,849,797	818,942	320,930	1,130,731	40,181,130
– Effect of prior year restatements (Note 44)	(79,363)	–	–	–	–	–	–	–	(79,363)
– As restated	20,945,599	1,625,693	11,570,150	839,925	2,849,797	818,942	320,930	1,130,731	40,101,767
Reclassification (Note (i))	(322,263)	–	369,008	(6,540)	(53,312)	13,107	–	–	–
Additions	208,490	23,105	434,986	39,449	208,255	57,107	74,710	1,540,777	2,586,879
Disposals	(9,222)	(1,629)	(240,882)	(104,997)	(81,696)	(69,109)	–	–	(507,535)
Write offs	(48,251)	–	(246,484)	(3,926)	(43,830)	(10,136)	–	–	(352,627)
Impairment of assets (Notes (ii) and 33)	(3,139)	–	(10,110)	–	–	–	–	–	(13,249)
Revaluation adjustments	432,379	(81,646)	88,746	–	–	–	–	–	439,479
Transfer from/(to) right of use assets (Note 16)	–	–	3,539	(9,227)	–	–	–	–	(5,688)
Transfer (to)/from investment properties (Note 5)	(458,307)	–	(5,870)	–	9,294	–	–	–	(454,883)
Transfer from intangible assets (Note 6)	–	–	–	–	–	110	–	–	110
Transfer from inventories	–	–	1,661	–	–	–	–	–	1,661
Transfer from/(to) assets in progress	52,244	–	181,290	–	6,200	674	–	(240,408)	–
Transfer to assets classified as held for sale	(597,563)	–	(403,174)	(5,546)	(15,030)	(6,831)	–	–	(1,028,144)
Acquisition of subsidiaries (Note 38(a))	–	–	3,357	–	375	234	–	–	3,966
Disposal of subsidiaries	–	–	(41,638)	(109)	(16,756)	(7,981)	–	–	(66,484)
Translation differences	499,483	202,854	252,110	11,898	42,862	17,082	–	8,595	1,034,884
At 30 June 2021	20,699,450	1,768,377	11,956,689	760,927	2,906,159	813,199	395,640	2,439,695	41,740,136
At 01 July 2021									
– As previously reported	**20,778,813**	**1,768,377**	**11,956,689**	**760,927**	**2,906,159**	**813,199**	**395,640**	**2,908,996**	**42,288,800**
– Effect of prior year restatements (Note 44)	**(79,363)**	**–**	**–**	**–**	**–**	**–**	**–**	**(469,301)**	**(548,664)**
– As restated	**20,699,450**	**1,768,377**	**11,956,689**	**760,927**	**2,906,159**	**813,199**	**395,640**	**2,439,695**	**41,740,136**
Reclassification (Note (i))	**682,156**	**–**	**(660,344)**	**5,510**	**(36,222)**	**70,583**	**(61,683)**	**–**	**–**
Additions	**325,850**	**678**	**774,704**	**114,117**	**279,809**	**98,749**	**148,677**	**969,557**	**2,712,141**
Disposals	**(9,024)**	**–**	**(182,682)**	**(59,397)**	**(87,112)**	**(28,059)**	**(12,681)**	**–**	**(378,955)**
Write offs	**(17,483)**	**–**	**(333,334)**	**(16,151)**	**(84,691)**	**(3,767)**	**–**	**–**	**(455,426)**
Impairment of assets (Notes (ii) and 33)	**(211,830)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(211,830)**
Revaluation adjustments	**(78,528)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(78,528)**
Transfer from right of use asset (Note 16)	**–**	**–**	**18,652**	**24,614**	**–**	**–**	**–**	**–**	**43,266**
Transfer from/(to) investment properties (Note 5)	**510,702**	**–**	**–**	**–**	**–**	**–**	**–**	**(17,777)**	**492,925**
Transfer to intangible assets (Note 6)	**–**	**–**	**–**	**–**	**–**	**(7,499)**	**–**	**(1,407)**	**(8,906)**
Transfer to inventories	**(12,819)**	**–**	**(816)**	**–**	**–**	**–**	**–**	**–**	**(13,635)**
Transfer from/(to) assets in progress	**1,861,206**	**–**	**494,026**	**–**	**239,962**	**39,746**	**–**	**(2,634,940)**	**–**
Transfer to assets classified as held for sale (Note 21)	**(1,097,464)**	**–**	**(276,242)**	**(12,383)**	**(27,725)**	**(16,345)**	**–**	**–**	**(1,430,159)**
Acquisition of subsidiaries (Note 38(a))	**82,017**	**–**	**77,842**	**9,398**	**11,005**	**4,370**	**–**	**22,705**	**207,337**
Translation differences	**(107,979)**	**(150,426)**	**(143,117)**	**(2,375)**	**(5,558)**	**(2,009)**	**–**	**(42,531)**	**(453,995)**
At 30 June 2022	**22,626,254**	**1,618,629**	**11,725,378**	**824,260**	**3,195,627**	**968,968**	**469,953**	**735,302**	**42,164,371**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE GROUP	Land and buildings	Infrastructure production	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Containers	Assets in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
DEPRECIATION AND IMPAIRMENT									
At 01 July 2020	893,493	224,363	7,609,715	569,244	1,727,830	667,206	133,676	–	11,825,527
Charge for the year	458,893	25,934	662,343	57,053	269,425	79,638	62,734	–	1,616,020
Disposals	(2,011)	(604)	(224,743)	(98,299)	(77,718)	(6,043)	(61,683)	–	(471,101)
Write offs	(48,452)	–	(276,093)	(1,870)	(596)	(10,022)	–	–	(337,033)
Revaluation adjustments	72,111	(218,396)	–	–	–	–	–	–	(146,285)
Transfer from intangible assets (Note 6)	–	–	–	–	–	110	–	–	110
Transfer to assets classified as held for sale	(68,184)	–	(194,893)	(5,427)	(14,562)	(4,077)	–	–	(287,143)
Reclassification (Note (i))	(61,393)	–	63,244	(4,536)	(2,230)	4,915	–	–	–
Disposal of subsidiaries	–	–	(10,658)	(109)	(4,068)	(2,456)	–	–	(17,291)
Transfer (to)/from investment properties (Note 5)	(41,659)	–	(2,498)	–	10,378	–	–	–	(33,779)
Translation differences	144,307	16,463	153,647	10,727	25,679	16,181	–	–	367,004
At 30 June 2021	1,347,105	47,760	7,780,064	526,783	1,934,138	745,452	134,727	–	12,516,029
At 01 July 2021	**1,347,105**	**47,760**	**7,780,064**	**526,783**	**1,934,138**	**745,452**	**134,727**	**–**	**12,516,029**
Charge for the year	**617,984**	**(15,666)**	**699,693**	**69,627**	**233,541**	**82,677**	**78,242**	**–**	**1,766,098**
Disposals	**(14,057)**	**–**	**(40,482)**	**(30,330)**	**(79,808)**	**(8,110)**	**(12,513)**	**–**	**(185,300)**
Write offs	**(891)**	**–**	**(309,510)**	**(15,404)**	**(5,159)**	**(3,582)**	**–**	**–**	**(334,546)**
Revaluation adjustments	**(628,019)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(628,019)**
Transfer from right of use assets (Note 16)	**–**	**–**	**6,780**	**15,497**	**–**	**–**	**–**	**–**	**22,277**
Transfer to assets classified as held for sale (Note 21)	**(668,258)**	**–**	**(238,237)**	**(9,544)**	**(21,066)**	**(16,303)**	**–**	**–**	**(953,408)**
Reclassification (Note (i))	**62,079**	**–**	**(61,571)**	**–**	**(7,059)**	**6,551**	**–**	**–**	**–**
Transfer to investment properties (Note 5)	**(4,300)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(4,300)**
Translation differences	**(105,798)**	**–**	**(85,925)**	**(3,342)**	**(1,944)**	**(672)**	**–**	**–**	**(197,681)**
At 30 June 2022	**605,845**	**32,094**	**7,750,812**	**553,287**	**2,052,643**	**806,013**	**200,456**	**–**	**12,001,150**
NET BOOK VALUE									
At 30 June 2022	**22,020,409**	**1,586,535**	**3,974,566**	**270,973**	**1,142,984**	**162,955**	**269,497**	**735,302**	**30,163,221**
At 30 June 2021 (Restated)	19,352,345	1,720,617	4,176,625	234,144	972,021	67,747	260,913	2,439,695	29,224,107
At 01 July 2020 (Restated)	20,052,106	1,401,330	3,960,435	270,681	1,121,967	151,736	187,254	1,130,731	28,276,240

(i) The Directors have reviewed the classification of certain assets and as a result, reclassification adjustments were made between land and buildings, plant and equipment, motor vehicles, office furniture and equipment, computer and security equipment and containers. This had no impact on the useful lives and residual values as initially estimated upon recognition.

(ii) During the year ended 30 June 2022, one of the subsidiaries has recognised an impairment loss on property, plant and equipment following a reassessment of the assets. During the year ended 30 June 2021, an impairment loss of Rs 99 million was provided on land and buildings and plant and equipment due to prevailing market conditions. The recoverable amount of land and buildings and plant and equipment amounted to Rs 58 million and Rs 80 million respectively. The land and buildings have been transferred to assets held for sale in 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

THE COMPANY	Land and buildings	Plant and equipment	Motor vehicles	Office furniture and equipment	Computer and security equipment	Assets in progress	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST/VALUATION							
At 01 July 2020	523,806	77,262	38,712	233,746	80,848	-	954,374
Additions	634	10,314	536	7,141	10,619	-	29,244
Disposals	-	-	(4,046)	(828)	(1,527)	-	(6,401)
Revaluation adjustments	349	-	-	-	-	-	349
Write offs	(48,077)	(3,998)	-	(4,416)	(9,455)	-	(65,946)
Reclassification	-	-	-	565	(565)	-	-
At 30 June 2021	476,712	83,578	35,202	236,208	79,920	-	911,620
At 01 July 2021	**476,712**	**83,578**	**35,202**	**236,208**	**79,920**	**-**	**911,620**
Additions	**42,824**	**5,331**	**412**	**6,899**	**12,470**	**5,407**	**73,343**
Disposals	**-**	**(18,386)**	**(5,009)**	**(47,541)**	**(5,864)**	**-**	**(76,800)**
Transfer from right of use assets (Note 16)	**-**	**-**	**2,671**	**-**	**-**	**-**	**2,671**
Reclassification	**-**	**-**	**-**	**(581)**	**581**	**-**	**-**
At 30 June 2022	**519,536**	**70,523**	**33,276**	**194,985**	**87,107**	**5,407**	**910,834**
DEPRECIATION							
At 01 July 2020	78,356	51,003	33,092	143,245	60,149	-	365,845
Charge for the year	9,418	8,670	1,565	30,866	11,816	-	62,335
Disposals	-	-	(3,995)	(519)	(1,305)	-	(5,819)
Revaluation adjustments	(31,377)	-	-	-	-	-	(31,377)
Write offs	(48,077)	(3,998)	-	(70)	(9,454)	-	(61,599)
At 30 June 2021	8,320	55,675	30,662	173,522	61,206	-	329,385
At 01 July 2021	**8,320**	**55,675**	**30,662**	**173,522**	**61,206**	-	**329,385**
Charge for the year	**52,304**	**(6,908)**	**2,085**	**(15,842)**	**11,662**	**-**	**43,301**
Disposals	**-**	**(3,110)**	**(4,538)**	**(625)**	**(6,209)**	**-**	**(14,482)**
Transfer from right of use assets (Note 16)	**-**	**-**	**2,167**	**-**	**-**	**-**	**2,167**
At 30 June 2022	**60,624**	**45,657**	**30,376**	**157,055**	**66,659**	**-**	**360,371**
NET BOOK VALUE							
At 30 June 2022	**458,912**	**24,866**	**2,900**	**37,930**	**20,448**	**5,407**	**550,463**
At 30 June 2021	468,392	27,903	4,540	62,686	18,714	-	582,235

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Historical cost of revalued land and buildings:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cost	**13,534,649**	13,208,121	**280,846**	238,022
Accumulated depreciation	**(4,169,802)**	(3,899,109)	**(79,825)**	(64,700)
Net book value	**9,364,847**	9,309,012	**201,021**	173,322

The Group's and Company's freehold land and buildings as well as buildings on leasehold land are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements were performed in accordance with the 'RICS Valuation Standards' by accredited independent valuers namely Elevante Property Services Ltd, CBRE Excellente CRES (PTY) Ltd, Noor Dilmahomed & Associates, Ramiah-Isabel Consultancy Ltd, CDDS Ltd and Galtier Valuation. The valuers have the appropriate qualifications and experience in the fair value measurements of properties in the relevant locations.

Land and buildings leased to subsidiaries within the Group are valued on an annual basis while the remaining properties are valued every 3 to 4 years unless there is evidence that the fair value of the assets differs materially from the carrying amount. The valuation of these properties was performed as at 30 June between 2020 and 2022.

The fair value of the land and buildings has been assessed on the basis of its market value, being the estimated amount for which the property could be exchanged between knowledgeable willing parties in an arm's length transaction and taking into account the current market conditions and similar transactions undertaken in recent years. In arriving at the market value, the sales comparison approach has been used for the land, which is based on recent transactions for similiar properties, and the depreciated replacement cost approach has been used for the buildings (including production infrastructure) which estimates the value by computing the current cost of replacing a property less any depreciation resulting from physical, functional and economic obsolescence factors. Land and buildings that are leased have been fair valued using the income approach by reference to the capitalisation rate on net operating income or based on discounted cash flows, the highest and best use of the properties being their current use. The revaluation surplus was credited to revaluation reserves.

The significant inputs used are as follows:

Valuation methodology	Significant unobservable inputs	Relationship to fair value
Sale comparison approach	Estimated price per square meter	A higher price will result in higher fair value and vice versa
Depreciated replacement cost approach	Replacement/Construction cost per square meter	A higher cost will result in higher fair value and vice versa
	Depreciation rate	A higher depreciation rate will result in lower fair value and vice versa
Income approach (Discounted cash flows and income capitalisation approach)	Rental income	Higher rental income projections will result in higher fair value and vice versa
	Discount rate	A higher discount rate will result in lower fair value and vice versa
	Capitalisation rate	A higher capitalisation rate will result in lower fair value and vice versa

The significant unobservable inputs vary from property to property based on the location and use by each entity within the Group.

There has been no change to the valuation technique during the year.

Management and the directors have estimated that the carrying values of land and buildings approximate their fair values at 30 June 2021 and 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Borrowing costs capitalised during the year is Rs 20.1 million (2021: Rs 27.6 million).

Borrowings are secured by fixed and floating charges on the property, plant and equipment of the Group and the Company.

(c) Details of the Group's and the Company's land and buildings measured at fair value and information about the fair value hierarchy as at 30 June are as follows:

THE GROUP	Level 3
	Rs'000
2022	
Land and buildings	**22,020,409**
Infrastructure production	**1,586,535**
	23,606,944
2021	
Land and buildings	19,352,345
Infrastructure production	1,720,617
	21,072,962
THE COMPANY	
2022	
Land and buildings	**458,912**
2021	
Land and buildings	468,392

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

5. INVESTMENT PROPERTIES

	THE GROUP	
	2022	2021 Restated
	Rs'000	Rs'000
At 1 July		
- As previously reported	**3,123,499**	2,857,422
- Effect of prior year restatements (Note 44)	**144,119**	138,319
- As restated	**3,267,618**	2,995,741
Additions	**87,007**	30,053
Transfer (to)/from property, plant and equipment (Note 4)	**(497,225)**	421,104
Assets in progress	**10,977**	-
Transfer from/(to) inventories	**295,270**	(218,269)
Transfer from right of use assets	**-**	2,063
Disposals	**(66,238)**	(87,281)
Lease termination	**(31,500)**	-
Fair value movement	**290,279**	124,207
At 30 June	**3,356,188**	3,267,618
Rental income	**85,297**	100,740
Direct operating expenses:		
- generating rental income	**42,562**	30,113
- did not generate income	**18,380**	11,672

The fair value of investment properties has been arrived at on the basis of valuations performed by accredited independent valuers, namely Elevante Property Services Ltd, CBRE Excellente CRES (PTY) Ltd, Noor Dilmahomed & Associates, Ramiah-Isabel Consultancy Ltd and CDDS Ltd. The fair valuation exercise was carried out at 30 June 2022 in accordance with the 'RICS Valuation Standards'.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. The valuations were based on market economic conditions and active market prices existing at the reporting date, adjusted for any difference in the nature, location or condition of the specific property.

The fair value is determined on open market value using the income approach (discounted cash flows) for rented properties, sales comparison approach for bare land as well as depreciation replacement cost approach for some buildings. Where the income approach is used, the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The sales comparison approach is by reference to market evidence of transaction prices for similar properties on an arm's length term while the depreciated replacement cost approach estimates the value by computing the current cost of replacing a property less any depreciation resulting from physical, functional and economic obsolescence factors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

5. INVESTMENT PROPERTIES (CONTINUED)

The significant inputs used are as follows:

Valuation methodology	Significant unobservable inputs	Relationship to fair value
Sale comparison approach	Estimated price per square meter	A higher price will result in higher fair value and vice versa
Depreciated replacement cost approach	Replacement/Construction cost per square meter	A higher cost will result in higher fair value and vice versa
	Depreciation rate	A higher depreciation rate will result in lower fair value and vice versa
Income approach (Discounted cash flows and income capitalisation approach)	Rental income	Higher rental income projections will result in higher fair value and vice versa
	Discount rate	A higher discount rate will result in lower fair value and vice versa
	Capitalisation rate	A higher capitalisation rate will result in lower fair value and vice versa

The significant inputs vary from property to property based on the location and use by each entity within the Group.

There has been no change to the valuation technique during the year.

Management and the directors have estimated that the carrying values of the investment properties approximate their fair values at 30 June 2021 and 2022.

(a) Banking facilities of some subsidiaries have been secured by charges on their investment properties.

(b) Details of the Group's investment properties measured at fair value and information about the fair value hierarchy as at 30 June are as follows:

THE GROUP	Level 3
	Rs'000
2022	
Investment properties	**3,356,188**
2021	
Investment properties	3,267,618

(c) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS

THE GROUP	Goodwill	Leasehold rights	Computer software	Others	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
COST					
At 01 July 2020	2,997,342	60,182	718,658	227,140	4,003,322
Additions	243,103	–	74,571	4,807	322,481
Disposals	–	–	(1,090)	–	(1,090)
Write offs	–	–	(64)	–	(64)
Transfer to right of use asset (Note 16)	–	(60,919)	–	–	(60,919)
Transfer to property, plant and equipment (Note 4)	–	–	(110)	–	(110)
Transfer to assets classified as held for sale	–	–	(4,774)	–	(4,774)
Opening balance of subsidiaries acquired (Note 38(a))	11,065	–	217	–	11,282
Disposal of subsidiaries	–	–	(5,374)	–	(5,374)
Assets in progress	–	–	24,135	–	24,135
Exchange differences	102,344	737	3,736	487	107,304
At 30 June 2021	3,353,854	–	809,905	232,434	4,396,193
At 01 July 2021	**3,353,854**	**–**	**809,905**	**232,434**	**4,396,193**
Additions	**340,716**	**–**	**94,496**	**17,504**	**452,716**
Disposals	**–**	**–**	**(12,769)**	**(1,774)**	**(14,543)**
Write offs	**–**	**–**	**(7,854)**	**(13,152)**	**(21,006)**
Transfer from property, plant and equipment (Note 4)	**–**	**–**	**8,906**	**–**	**8,906**
Transfer to assets classified as held for sale (Note 21)	**–**	**–**	**(3,097)**	**–**	**(3,097)**
Acquisition of subsidiaries (Note 38(a))	–	**–**	**2,294**	**81,465**	**83,759**
Assets in progress	**–**	**–**	**15,702**	**–**	**15,702**
Exchange differences	**(52,434)**	**–**	**(3,004)**	**(2,366)**	**(57,804)**
At 30 June 2022	**3,642,136**	**–**	**904,579**	**314,111**	**4,860,826**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS (CONTINUED)

THE GROUP	Goodwill	Leasehold rights	Computer software	Others	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
AMORTISATION / IMPAIRMENT					
At 01 July 2020	1,354,887	2,869	467,903	30,763	1,856,422
Charge for the year	–	–	91,436	587	92,023
Disposals	–	–	(933)	–	(933)
Write offs	–	–	(9)	–	(9)
Impairment loss	23,731	–	–	2,106	25,837
Reclassification	(179)	–	179	–	–
Transfer to right of use asset (Note 16)	–	(2,869)	–	–	(2,869)
Transfer to property, plant and equipment (Note 4)	–	–	(110)	–	(110)
Transfer to assets classified as held for sale	–	–	(4,389)	–	(4,389)
Disposal of subsidiaries	–	–	(3,934)	–	(3,934)
Exchange differences		–	3,376	176	3,552
At 30 June 2021	1,378,439	–	553,519	33,632	1,965,590
At 01 July 2021	**1,378,439**	**–**	**553,519**	**33,632**	**1,965,590**
Charge for the year	**–**	**–**	**91,708**	**3,373**	**95,081**
Disposals	**–**	**–**	**(7,843)**	**(1,196)**	**(9,039)**
Write offs	**–**	**–**	**(4,177)**	**(13,152)**	**(17,329)**
Impairment loss	**380,747**	**–**	**–**	**–**	**380,747**
Transfer to assets classified as held for sale (Note 21)	**–**	**–**	**(1,974)**	**–**	**(1,974)**
Exchange differences	**–**	**–**	**(2,287)**	**(174)**	**(2,461)**
At 30 June 2022	**1,759,186**	**–**	**628,946**	**22,483**	**2,410,615**
NET BOOK VALUE					
At 30 June 2022	**1,882,950**	**–**	**275,633**	**291,628**	**2,450,211**
At 30 June 2021	1,975,415	–	256,386	198,802	2,430,603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS (CONTINUED)

THE COMPANY	Computer software	Total
	Rs'000	Rs'000
COST		
At 01 July 2020	116,349	116,349
Additions	1,377	1,377
Disposals	(1,090)	(1,090)
At 30 June 2021	116,636	116,636
At 01 July 2021	**116,636**	**116,636**
Additions	**4,744**	**4,744**
Write off	**(4,913)**	**(4,913)**
Disposals	**(171)**	**(171)**
At 30 June 2022	**116,296**	**116,296**
AMORTISATION		
At 01 July 2020	82,067	82,067
Charge for the year	14,138	14,138
Disposals	(933)	(933)
At 30 June 2021	95,272	95,272
At 01 July 2021	**95,272**	**95,272**
Charge for the year	**9,722**	**9,722**
Write off	**(2,375)**	**(2,375)**
Disposals	**(139)**	**(139)**
At 30 June 2022	**102,480**	**102,480**
NET BOOK VALUE		
At 30 June 2022	**13,816**	**13,816**
At 30 June 2021	21,364	21,364

Intangible assets included under "Others" at Group level consist of rights to publishing titles, trademarks, development costs, licences, customer relationships and brands.

The Directors have considered the relevant factors in determining the useful life of the trademarks. As there is no foreseeable limit to the period over which these are expected to generate net cash inflows for the Group, the trademarks have been assessed as having an indefinite useful life.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS (CONTINUED)

Goodwill acquired through business combinations have indefinite lives and have been allocated to the following cash generating units for impairment testing in the following clusters:

	Carrying value	
	2022	2021
	Rs'000	Rs'000
Building & Engineering	**11,763**	29,656
Commercial & Distribution	**680,360**	742,874
Financial Services	**232,742**	262,784
Logistics	**12,606**	12,606
Corporate Services	**32,096**	32,096
Hospitality & Services	**792,442**	784,235
Life & Technologies	**120,941**	111,164
	1,882,950	1,975,415

Overall, the recoverable amounts of these cash generating units (CGU) have been determined based on their value in use calculation and fair value less cost to sell where applicable using cash flow projections based on financial budgets established by management. The pre-tax discount rates applied to cash flow projections vary and the growth rates have been explained below. The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each cash generating unit to at least maintain its market share.

The Group assesses goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

Impairment loss of goodwill amounting to Rs 380.7 million (2021: Rs 23.7 million) is attributable to the cash generating units of Building & Engineering and Financial Services to reflect the loss in value of the CGU. This was done for the non-operating and loss-making units. The impairment loss is recognised in the statement of profit or loss. While the recoverable amount for the clusters has been determined based on their value-in-use, that of the hospitality cluster is based on the fair value less cost to sell.

The directors have reviewed the carrying values of goodwill at 30 June 2022 and are of the opinion that no additional impairment losses need to be recognised. Based on the weightage of the CGUs on the total amount of goodwill, the following clusters have been analysed:

Commercial & Distribution

Camp Investment Company Limited

In the commercial cluster, the recoverable amounts of trademarks and goodwill of Edena S.A. and its subsidiaries (Edena Group), located in Reunion Island, have been determined based on their value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a period of five years. Value-in-use was determined by discounting the future cash flows generated from the continuing use of trademarks and the CGU of Edena Group respectively using a pre-tax discount rate. Discount rates used represent the current market assessment of the risk specific to a cash generating unit taking into consideration the time value of money and the weighted average cost of capital (WACC).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS (CONTINUED)

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of trademarks and Edena Group to at least maintain their respective market share. The assumptions used for the value-in-use calculations are as follows:

- cash flows were projected based on actual operating results extrapolated using an annual growth rate of 4% (2021: 4%) for a period of five years;
- cash flows after the five years period were extrapolated using a perpetual growth rate of 2% (2021: 2%) in order to calculate the terminal recoverable amount.

The discount rate calculation is based on the specific circumstances of Edena Group and is derived from its weighted average cost of capital (WACC) of 7.63% (2021: 6.11%). The WACC used for trademarks is 6.65% (2021: 5.12%). The WACC takes into account both debt and equity. The directors believe that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of trademarks and goodwill of Edena Group to exceed their aggregate recoverable amount.

As a result of the above analysis, the directors are satisfied that there are no indication of impairment of goodwill of Edena S.A for the year ended 30 June 2022.

Hospitality & Services

Lux Island Resorts Ltd ("LIR")

LIR has not recognised any impairment on goodwill for the year ended 30 June 2022 (2021: Rs 23.7m). The impairment recognised during the year ended 30 June 2021 resulted from the downward medium-term trading expectations due to the current economic environment which has been exacerbated by the global COVID-19 pandemic.

The recoverable amount of each CGU has been determined based on their fair value less cost to sell. The post-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The post-tax discount rate applied represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of LIR and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between 10.76% to 13.80% (2021: 10.30% to 12.30%) for the various entities of LIR. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the LIR's investors. The cost of debt is based on the interest-bearing borrowings LIR is obliged to service.

The growth rates used are consistent with the industry in which each CGU operates. A terminal growth rate of 3.30% to 4% (2021: 3%) has been assumed in the calculation except for Oceanide Ltd where no terminal growth rate has been used as impairment has been calculated up to the termination of the lease period.

An occupancy rate ranging from 71% to 80% was used in the cash flow projections (2021: 50% to 80%).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of each cash generating unit to at least maintain its market share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6(a). INTANGIBLE ASSETS (CONTINUED)

Building & Engineering

The United Basalt Products Limited ("UBP")

UBP exercised its first right of refusal in the acquisition of Pre-Mixed Concrete Ltd after considering the CGU's synergies to the UBP Group. However, the purchase price agreed and paid is significantly higher than the net asset value of the CGU at the acquisition date. The directors have consequently determined to write off the goodwill directly related to Pre-Mixed Concrete Ltd as the goodwill will not be sustained in future years. No other write-down of the assets of Pre-Mixed Concrete Ltd is considered necessary. Management has determined the value-in-use based on the five-year cash flow projections using discount rates ranging from 14.45% to 15.54%. Impairment losses amounting to Rs 340.7 million (2021: nil) are attributable to the cash generating units of Pre-Mixed Concrete Ltd to reflect the loss in value of the CGU.

Life & Technologies

IBL Life Ltd

The recoverable amount of CIDP Holding Ltd has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of CIDP Holding Ltd to at least maintain their respective market share. Moreover, a terminal growth rate of 3% (2021: 3%) was used to calculate the terminal recoverable amount, which is consistent with the long-term average growth rate for the life and technologies industry.

The discount rate calculation is based on the specific circumstances of CIDP Holding Ltd and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The pre-tax discount rate applied to cash flow projections is 17.06% (2021: 16.97%). The directors are satisfied that there is no indication of impairment of goodwill for the year ended 30 June 2022. Also, any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of goodwill to exceed their aggregate recoverable amount.

Financial Services

Confido Holding Ltd (CHL) and Ekada Capital Ltd (ECL)

CHL was acquired in December 2020 and goodwill arising on acquisition amounted to Rs 221.7 million. The goodwill was tested for impairment using the purchase consideration versus net assets and no indication of impairment was noted.

ECL was acquired in January 2021 and goodwill arising on acquisition amounted to Rs 20.3 million. Based on the impairment assessment performed, the goodwill was fully impaired at 30 June 2022.

The purchase price considerations for the above two entities, being a recent transaction, approximate their fair value.

6(b). LAND CONVERSION RIGHTS

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At 1 July	**25,622**	21,937
Fair value movement	**1,576**	3,685
At 30 June	**27,198**	25,622

The reform of the Sugar Industry in the years 2000 necessitated redundancy payments in the form of cash and serviced land, as well as capital expenditure for capacity expansion and optimisation. These capital expenditure investments and expenses have been financed by debt. In order to assist the repayment of these debts, Government granted a tax exemption to the Sugar Industry when converting agricultural land into residential land in the form of Land Conversion Rights ("LCRs"). These LCRs are granted by the Mauritius Cane Industry Authority (MCIA) based on the qualifying costs incurred by an entity.

LCR is recognised as a non-current asset and is initially measured at fair value at the date on which the subsidiary is entitled to receive those rights, that is when there is reasonable assurance that the LCR will be received and all the attached conditions will be complied with. The level of the fair value hierarchy within which the fair value measurement is categorised is level 2. LCRs are derecognised upon disposal (i.e. the date the recipient obtains control), or use for converting agricultural land into residential land for land projects. Any gain or loss on derecognition of the LCR is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

7. DEFERRED TAXATION

Deferred tax is calculated on all temporary differences under the liability method at the rate of 17% (2021: 17%).

	THE GROUP			THE COMPANY	
	2022	2021 (Restated)	2020 (Restated)	**2022**	2021
	Rs'000	Rs'000	Rs'000	**Rs'000**	Rs'000
Deferred tax liabilities	**1,271,484**	1,092,647	1,058,203	**-**	-
Deferred tax assets	**(287,942)**	(446,649)	(585,159)	**(53,608)**	(48,105)
Net deferred tax at 30 June	**983,542**	645,998	473,044	**(53,608)**	(48,105)

The movement in deferred tax during the year is as follows:

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July				
- As previously reported	**537,682**	423,975	**(48,105)**	(116,205)
- Effect of prior year restatement (Note 44)	**108,316**	49,069	**-**	-
- As restated	**645,998**	473,044	**(48,105)**	(116,205)
Acquisition of subsidiaries (Note 38(a))	**(14,308)**	(375)	**-**	-
Translation differences	**5**	(15,632)	**-**	-
Other movement	**(9,392)**	15,670	**5,282**	33,870
Amounts recognised in profit or loss				
Charge/(Credit) for the year (Note 26(b))	**328,648**	(62,366)	**6,529**	(6,483)
Amounts recognised in other comprehensive income				
Deferred tax on hedge reserves	**2,043**	(7,583)	**-**	-
Deferred tax on revaluation of land and buildings	**54,303**	65,582	**-**	5,393
Deferred tax relating to remeasurement of retirement benefit obligations	**(23,755)**	177,658	**(17,314)**	35,320
At 30 June	**983,542**	645,998	**(53,608)**	(48,105)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

7. DEFERRED TAXATION (CONTINUED)

THE GROUP	Accelerated tax depreciation	Revaluation of property, plant and equipment	Hedge reserves	Provisions	Employee benefit (assets)/ liabilities	Right of use assets	Tax losses	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020								
– As previously reported	852,462	615,787	(32,345)	(164,923)	(503,275)	(14,802)	(328,929)	423,975
– Effect of prior year restatements (Note 44)	10,943	–	38,126	–	–	–	–	49,069
– As restated	863,405	615,787	5,781	(164,923)	(503,275)	(14,802)	(328,929)	473,044
Other movement	9,565	4,121	–	–	1,984	–	–	15,670
Charge/(credit) to profit or loss	274,655	(168,272)	–	44,359	7,940	(76,649)	(144,399)	(62,366)
Charge/(credit) to other comprehensive income	–	65,582	(7,824)	–	177,899	–	–	235,657
Tax on acquisition of subsidiaries (Note 38(a))	59	–	–	–	(434)	–	–	(375)
Translation differences	(12,251)	(23)	–	–	(3,358)	–	–	(15,632)
At 30 June 2021	1,135,433	517,195	(2,043)	(120,564)	(319,244)	(91,451)	(473,328)	645,998
At 01 July 2021								
– As previously reported	**1,117,151**	**517,195**	**(87,149)**	**(120,564)**	**(319,244)**	**(91,451)**	**(478,256)**	**537,682**
– Effect of prior year restatements (Note 44)	**18,282**	**–**	**85,106**	**–**	**–**	**–**	**4,928**	**108,316**
– As restated	**1,135,433**	**517,195**	**(2,043)**	**(120,564)**	**(319,244)**	**(91,451)**	**(473,328)**	**645,998**
Other movement	**(27,000)**	**(37)**	**–**	**8,950**	**4,138**	**2,548**	**2,009**	**(9,392)**
Charge/(credit) to profit or loss	**189,430**	**(84,972)**	**–**	**24,550**	**(11,410)**	**(23,265)**	**234,315**	**328,648**
Charge/(credit) to other comprehensive income	**–**	**54,303**	**2,043**	**–**	**(23,755)**	**–**	**–**	**32,591**
Tax on acquisition of subsidiaries (Note 38(a))	**3,086**	**–**	**–**	**(12,956)**	**(4,438)**	**–**	**–**	**(14,308)**
Translation differences	**5**	**–**	**–**	**–**	**–**	**–**	**–**	**5**
At 30 June 2022	**1,300,954**	**486,489**	**–**	**(100,020)**	**(354,709)**	**(112,168)**	**(237,004)**	**983,542**

THE COMPANY	Accelerated tax depreciation	Revaluation of property, plant and equipment	Provisions	Employee benefit (assets)/ liabilities	Right of use assets	Tax losses	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020	7,898	84,097	(41,716)	(134,417)	628	(32,695)	(116,205)
(Credit)/charge to profit or loss	(2,198)	–	(6,389)	10,016	(400)	(7,512)	(6,483)
Charge to other comprehensive income	–	5,393	–	35,320	–	–	40,713
Other movement	1,175	–	–	–	–	32,695	33,870
At 30 June 2021	6,875	89,490	(48,105)	(89,081)	228	(7,512)	(48,105)
At 01 July 2021	**6,875**	**89,490**	**(48,105)**	**(89,081)**	**228**	**(7,512)**	**(48,105)**
(Credit)/charge to profit or loss	**(2,654)**	**–**	**12,812**	**(2,231)**	**(90)**	**(1,308)**	**6,529**
Charge to other comprehensive income	**–**	**–**	**–**	**(17,314)**	**–**	**–**	**(17,314)**
Other movement	**(2,027)**	**–**	**–**	**–**	**–**	**7,309**	**5,282**
At 30 June 2022	**2,194**	**89,490**	**(35,293)**	**(108,626)**	**138**	**(1,511)**	**(53,608)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

8. CONSUMABLE BIOLOGICAL ASSETS

THE GROUP	Standing cane	Plants	Vegetables	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020	4,792	26,644	14,340	45,776
Production	4,187	41,984	53,645	99,816
Sales	(6,893)	(41,945)	(31,884)	(80,722)
Fair value movement	1,352	7,493	(19,288)	(10,443)
At 30 June 2021	**3,438**	**34,176**	**16,813**	**54,427**
Production	**16,979**	**64,331**	**44,645**	**125,955**
Sales	**(8,594)**	**(42,404)**	**(32,007)**	**(83,005)**
Fair value movement	**(4,797)**	**(9,176)**	**(6,318)**	**(20,291)**
At 30 June 2022	**7,026**	**46,927**	**23,133**	**77,086**

The consumable biological assets are measured at fair value determined in accordance with the level 3 of the fair value hierarchy.

The main assumptions for estimating the fair values are as follows:

	2022	2021
Standing cane		
Expected area to harvest (ha)	**80**	65
Estimated yields (%)	**10.3**	10.2
Estimated price of sugar – Rs (per ton)	**22,350**	19,162
Plants		
Expected area to harvest (ha)	**8**	8
Maximum maturity of plants at 30 June	**1 year**	1 year
Vegetables		
Expected area to harvest (ha)	**59**	56
Discount factor (%)	**8.5**	8.8

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant unobservable inputs	Sensitivity of the input to value
Standing cane	Discounted cash flows	Cane yield per Ha:34.7 ton/ha (2021: 34 ton/ha)	1% increase/(decrease) in cane yield per Ha would result in increase/(decrease) in fair value by Rs 11,152 (2021: Rs 72,833).
		Price of sugar: Rs 22,350 /ton (2021: Rs 19,162/ton)	5% increase/(decrease) in the price of sugar would result in increase/(decrease) in fair value by Rs 557,589 (2021: Rs 364,164).
		WACC:8.51% (2021: 10.15%)	1% increase/(decrease) in WACC would result in (decrease)/increase in fair value by Rs 734 (2021: Rs 18,342).
Plants	Discounted cash flows	Average price of plants: Rs 224 (2021: Rs 185)	5% increase/(decrease) in price of plants would result in increase/(decrease) in fair value by Rs 2,882,903 (2021: Rs 2,079,518).
		Mortality rate:3 % (2021: 3%)	5% increase/(decrease) in mortality rate would result in (decrease)/increase in fair value by Rs 2,888,299 (2021: Rs 3,785,488).
		WACC 18% (2021: 20%)	1% increase/(decrease) in WACC would result in (decrease)/increase in fair value by Rs 54,176 (2021: Rs 334,663).
Vegetables	Discounted cash flows	Discount factor:8.8% (2021: 8.8%)	1% increase/(decrease) in discount factor would result in (decrease)/increase in fair value by Rs 57,473 (2021: Rs 168,145).
		Price of vegetables: Rs 10,500 – Rs 26,500 (2021: Rs 12,000 – Rs 23,000)	5% increase/(decrease) in price of vegetables would result in increase/(decrease) in fair value by Rs1 ,606,374 (2021: Rs 1,210,931).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

9 (a). GROSS OUTSTANDING CLAIMS AND REINSURANCE ASSETS

THE GROUP	2022 Gross Rs'000	2022 Reinsurance Rs'000	2022 Net Rs'000	2021 Gross Rs'000	2021 Reinsurance Rs'000	2021 Net Rs'000
At 1 July						
Claims notified	1,220,427	(703,100)	517,327	1,327,430	(781,448)	545,982
Claims incurred but not reported	236,409	(135,034)	101,375	231,409	(135,034)	96,375
	1,456,836	(838,134)	618,702	1,558,839	(916,482)	642,357
Movement in claims incurred	1,100,458	(756,052)	344,406	704,713	(314,076)	390,637
Cash (paid)/received for claims settled in the year	(737,538)	429,541	(307,997)	(806,716)	392,424	(414,292)
At 30 June	1,819,756	(1,164,645)	655,111	1,456,836	(838,134)	618,702
Analysed as:						
Claims notified	1,662,158	(1,084,186)	577,972	1,220,427	(703,100)	517,327
Claims incurred but not reported	157,598	(80,459)	77,139	236,409	(135,034)	101,375
	1,819,756	(1,164,645)	655,111	1,456,836	(838,134)	618,702

9 (b). NET CLAIMS INCURRED

THE GROUP	2022 Gross Rs '000	2022 Reinsurance Rs '000	2022 Net Rs '000	2021 Gross Rs '000	2021 Reinsurance Rs '000	2021 Net Rs '000
Net claims incurred	1,057,652	(756,052)	301,600	659,716	(299,550)	360,166

10. GENERAL INSURANCE FUND AND REINSURANCE ASSETS

THE GROUP	Gross Rs '000	Reinsurance Rs '000	Net Rs '000
At 01 July 2020	455,380	(194,669)	260,711
Movement during the year	22,607	(71,782)	(49,175)
At 30 June 2021	477,987	(266,451)	211,536
Movement during the year	26,566	(50,419)	(23,853)
At 30 June 2022	504,553	(316,870)	187,683

The general insurance fund will be released over a period of 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES

THE COMPANY	Listed	Secondary market	Unquoted	Total
At FVTOCI	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020	4,613,878	699,322	13,128,350	18,441,550
Transfer to unquoted	(585,600)	-	585,600	-
Additions	-	-	471,541	471,541
Capitalisation of loans (Note (ii))	187,647	-	17,445	205,092
Transfer from associates (Note 12(b))	-	-	80,434	80,434
Fair value adjustment	384,868	(43,897)	1,775,230	2,116,201
At 30 June 2021	4,600,793	655,425	16,058,600	21,314,818
At 01 July 2021	4,600,793	655,425	16,058,600	21,314,818
Additions	-	-	58,066	58,066
Capitalisation of loans (Note (iii))	-	-	24,875	24,875
Disposals	-	-	(10,000)	(10,000)
Fair value adjustment	1,435,436	89,367	1,542,326	3,067,129
At 30 June 2022	6,036,229	744,792	17,673,867	24,454,888

The additions have been financed as follows:

	2022 Rs'000	2021 Rs'000
Cash	54,386	451,579
Payables	3,680	-
Dividend in specie	-	19,962
Capitalisation of loans	24,875	205,092
	82,941	676,633

(i) The Group and the Company have pledged their investments to secure the banking facilities obtained.

(ii) During years ended 30 June 2022 and 2021, the Group converted several non-current receivable balances from related parties into equity investments.

(iii) The Group considers certain entities over which it controls less than 50% of the voting rights as subsidiaries since it has sufficient dominant voting interest to direct the relevant activities of these entities and therefore has control over them (refer to Note 3).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
IBL Energy Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Energy Holdings Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Energy (Kenya) Ltd (ix)	Kenya	Ordinary	Investment	–	100.00	–	–
Skysails Power Indian Ocean Ltd	Mauritius	Ordinary	Investment	–	74.00	–	74.00
Construction & Material Handling Company Ltd	Mauritius	Ordinary	Handling equipment	100.00	–	100.00	–
DieselActiv Co Ltd	Mauritius	Ordinary	Mechanical	100.00	–	100.00	–
Servequip Ltd	Mauritius	Ordinary	Rental & servicing of equipment	100.00	–	100.00	–
Scomat Limitée	Mauritius	Ordinary	Industrial & Mechanical	100.00	–	100.00	–
Blychem Ltd	Mauritius	Ordinary	Manufacturing of Chemical products	100.00	–	100.00	–
Medical Trading Company Ltd (viii)	Mauritius	Ordinary	Healthcare	100.00	–	100.00	–
WellActiv Company Ltd	Mauritius	Ordinary	Healthcare	–	100.00	100.00	–
Medical Trading International Ltd	Mauritius	Ordinary	Healthcare	100.00	–	100.00	–
New Cold Storage Company Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
La Tropicale Mauricienne Ltée	Mauritius	Ordinary	Manufacturing	100.00	–	100.00	–
Winhold Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Pick and Buy Limited	Mauritius	Ordinary	Supermarkets	–	100.00	–	100.00
Compagnie des Magasins Populaires Limitée	Mauritius	Ordinary	Hypermarket	–	100.00	–	100.00
Pick and Buy Victoria Ltd	Mauritius	Ordinary	Hypermarket	–	100.00	–	100.00
Pick and Buy Trianon Ltd	Mauritius	Ordinary	Hypermarket	–	100.00	–	100.00
CMPL (Mont Choisy) Limitée	Mauritius	Ordinary	Hypermarket	–	100.00	–	100.00
Intergraph Ltée	Mauritius	Ordinary	Trading in printing equipment and consumables	100.00	–	100.00	–
Heilderberg Océan Indien Limitée	Mauritius	Ordinary	Investment	–	100.00	–	100.00
Intergraph Réunion	Reunion	Ordinary	Trading in printing equipment and consumables for printing	–	100.00	–	100.00
Intergraph Reunion SAV (v)	Reunion	Ordinary	After sales service	–	–	–	100.00
SCI Les Alamandas	Reunion	Ordinary	Real Estate	–	100.00	–	100.00
Intergraph Réunion Papier (v)	Reunion	Ordinary	Trading in papers	–	–	–	100.00
Intergraph Africa Ltd	Mauritius	Ordinary	Trading in printing equipment and consumables	–	100.00	–	100.00
Camp Investment Company Limited	Mauritius	Ordinary	Investment	49.60	–	49.60	–
Phoenix Management Company Ltd	Mauritius	Ordinary	Management	–	49.58	–	49.58
Phoenix Investment Company Limited	Mauritius	Ordinary	Investment	26.17	11.25	26.17	11.25
Phoenix Beverages Limited	Mauritius	Ordinary	Production of Beer and Bottles and distribution of beverages	3.21	20.07	3.21	20.07
MBL Offshore Ltd	Mauritius	Ordinary	Investment	–	23.28	–	23.28
Phoenix Beverages Overseas Ltd	Mauritius	Ordinary	Export of beverages	–	23.28	–	23.28
The (Mauritius) Glass Gallery Ltd	Mauritius	Ordinary	Production and sale of glasswares	–	23.28	–	17.69
Phoenix Distributors Limited	Mauritius	Ordinary	Distribution of beverages	–	22.66	–	22.66
Phoenix Camp Minerals Offshore Limited	Mauritius	Ordinary	Investment	–	23.28	–	23.28
Phoenix Réunion SARL	Reunion	Ordinary	Commissioning agent	–	23.28	–	23.28
Helping Hands Foundation	Mauritius	Ordinary	Charitable institution	–	20.37	–	20.37
Phoenix Foundation	Mauritius	Ordinary	Foundation	–	23.28	–	23.28
Edena S.A.	Reunion	Ordinary	Distribution of beverages	–	23.28	–	23.28
Espace Solution Reunion SAS	Reunion	Ordinary	Other Services	–	23.28	–	23.28
The Traditional Green Mill Ltd	Mauritius	Ordinary	Restaurant	–	23.28	–	23.28
SCI Edena	Reunion	Ordinary	Real Estate	–	23.28	–	23.28

(i) Companies are inactive
(ii) Companies are inactive and in process of deregistration
(iii) Increase in percentage holding
(iv) Investments disposed
(v) Amalgamated with parent Company
(vi) Companies deregistered during the year
(vii) Acquired during the year
(viii) Capitalisation of loans
(ix) Companies incorporated during the year

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
Chantier Naval de l'Océan Indien Limited	Mauritius	Ordinary	Construction and repair of ships	63.83	–	63.83	–
CNOI Investments Ltd	Mauritius	Ordinary	Investment	–	63.83	–	63.83
Mer and Design Ltd	Mauritius	Ordinary	Naval architechs	–	63.83	–	63.83
Industrie et Services de l'Océan Indien Limitée	Mauritius	Ordinary	Maritime Transport	–	63.83	–	63.83
Engineering Support Services Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
Engitech Ltd	Mauritius	Ordinary	Commerce	100.00	–	100.00	–
IBL Madagasikara S.A.	Madagascar	Ordinary	Commerce	90.00	–	90.00	–
Manser Saxon Contracting Limited (iii)	Mauritius	Ordinary	Manufacturing & contracting	100.00	–	99.97	–
Fit-Out (Mauritius) Ltd (iii)	Mauritius	Ordinary	Manufacturing	–	75.50	–	75.48
Manser Saxon Interiors Ltd (iii)	Mauritius	Ordinary	Manufacturing	–	100.00	–	99.97
Manser Saxon Elevators Ltd (iii)	Mauritius	Ordinary	Manufacturing	–	100.00	–	99.97
Manser Saxon Plumbing Ltd (iii)	Mauritius	Ordinary	Manufacturing	–	100.00	–	99.97
Manser Saxon Training Services Ltd (iii)	Mauritius	Ordinary	Training services	–	100.00	–	99.97
Tower Bridge Projects (Mauritius) Ltd (iii)	Mauritius	Ordinary	Construction	–	100.00	–	99.97
Systems Building Contracting Ltd (iii)	Mauritius	Ordinary	Manufacturing & contracting	–	64.50	–	64.48
Tornado Limited (iii)	Mauritius	Ordinary	Manufacturing	–	100.00	–	99.97
Manser Saxon Environment Ltd (vi)	Mauritius	Ordinary	Manufacturing	–	–	–	99.97
Manser Saxon Openings Ltd (vi)	Mauritius	Ordinary	Manufacturing	–	–	–	99.97
Saxon International Ltd (iii)	Mauritius	Ordinary	Investment	–	100.00	–	99.97
Engineering Services Ltd (iii)	Seychelles	Ordinary	Outsourcing	–	100.00	–	99.97
Manser Saxon Dubai LLC (i)	Dubai	Ordinary	Manufacturing	–	–	–	99.97
Manser Saxon Interiors LLC (i)	Dubai	Ordinary	Manufacturing	–	–	–	99.97
United Basalt Products Ltd	Mauritius	Ordinary	Investment	33.14	–	33.14	–
Espace Maison Ltée	Mauritius	Ordinary	Commerce	–	33.14	–	33.14
La Savonnerie Creole Ltée	Mauritius	Ordinary	Commerce	–	33.14	–	33.14
Compagnie de Gros Cailloux Limitée	Mauritius	Ordinary	Agriculture	–	33.14	–	33.14
Welcome Industries Limited	Mauritius	Ordinary	Manufacture of building materials	–	25.15	–	25.15
UBP International Ltd	Mauritius	Ordinary	Investment	–	33.14	–	33.14
UBP Madagascar	Madagascar	Ordinary	Manufacture of building materials	–	33.14	–	33.14
United Granite Products (Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	25.52	–	25.52
DHK Metal Crusher (Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Sheffield Trading(Pvt) Ltd	Sri-Lanka	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Sainte Marie Crushing Plant Ltd	Mauritius	Ordinary	Manufacture of building materials	–	25.35	–	25.35
Société des Petits Cailloux	Mauritius	Ordinary	Investment	–	25.35	–	25.35
Drymix Ltd	Mauritius	Ordinary	Manufacture of building materials	–	23.79	–	18.09
Pre-mixed Concrete Ltd	Mauritius	Ordinary	Supplier of ready-mixed concrete	–	33.14	–	–
Société d'Investissement Rodriguais	Mauritius	Ordinary	Manufacture of building materials	–	33.14	–	33.24
Drymat SAS (Reunion)	Reunion	Ordinary	Manufacture of building materials	–	26.51	–	26.51
UBP Coffrages Ltee	Mauritius	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Stone and Bricks Co Ltd (vi)	Mauritius	Ordinary	Manufacture of building materials	–	–	–	33.14
The Stonemasters Company Limited (vi)	Mauritius	Ordinary	Manufacture of building materials	–	–	–	33.14
Pricom Ltd	Mauritius	Ordinary	Manufacture of building materials	–	33.14	–	33.14
Land Reclamation Limited (vi)	Mauritius	Ordinary	Manufacture of building materials	–	–	–	33.14
Alentaris Ltd	Mauritius	Ordinary	Investment	85.00	–	85.00	–
Alentaris Recruitment Ltd	Mauritius	Ordinary	Recruitment services	–	85.00	–	85.00
Alentaris Consulting Ltd	Mauritius	Ordinary	Human resource consulting	–	85.00	–	85.00
Alentaris Management Ltd	Mauritius	Ordinary	Management company	–	85.00	–	85.00

(i) Companies are inactive
(ii) Companies are inactive and in process of deregistration
(iii) Increase in percentage holding
(iv) Investments disposed
(v) Amalgamated with parent Company
(vi) Companies deregistered during the year
(vii) Acquired during the year
(viii) Capitalisation of loans
(ix) Companies incorporated during the year

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
EKADA CAPITAL LTD	Mauritius	Ordinary	Wealth management	56.80	–	56.80	–
DTOS Ltd	Mauritius	Ordinary	Global business	100.00	–	100.00	
Beach International Company Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS International Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Trustees Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Outsourcing Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
DTOS Registry Services Ltd	Mauritius	Ordinary	Provider of Services	–	100.00	–	100.00
DTOS East Africa Company Limited	Uganda	Ordinary	Global business	–	100.00	–	100.00
DTOS International East Africa (K) Limited	Kenya	Ordinary	Global business	–	100.00	–	100.00
Inconformità Ltd	Mauritius	Ordinary	Provider of Services	–	100.00	–	100.00
Interface International Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Interface Management Services Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
IPSE (Nominees) Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
ITA EST (Nominees) Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Knights & Johns Management Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Pines Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
Pines Nominees Ltd	Mauritius	Ordinary	Global business	–	100.00	–	100.00
IBL Financial Services Holding Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Eagle Insurance Limited	Mauritius	Ordinary	General Insurance	60.00	–	60.00	–
Specialty Risk Solutions Ltd	Mauritius	Ordinary	General Insurance	–	42.00	–	42.00
Eagle Investment Property Limited	Mauritius	Ordinary	Property	–	60.00	–	60.00
The Bee Equity Partners Ltd	Mauritius	Ordinary	Investment	34.95	–	34.95	–
Flacq Associated Stonemasters Limited	Mauritius	Ordinary	Production and sale of aggregates and bricks	–	28.15	–	28.15
Confido Holding Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
EllGeo Re (Mauritius) Ltd	Mauritius	Ordinary	Reinsurance	–	100.00	–	100.00
LCF Holdings Ltd (iii)	Mauritius	Ordinary	Investment dealing and advisory services	100.00	–	75.00	–
LCF Registry & Advisory Ltd (v)	Mauritius	Ordinary	Investment dealing and advisory services	–	–	–	60.00
LCF Securities Ltd (iii)	Mauritius	Ordinary	Investment dealing and advisory services	–	77.00	–	63.75
LCF Wealth Ltd (v)	Mauritius	Ordinary	Investment dealing and advisory services	–	–	–	60.00
International Development Partners (E.A) Limited	Kenya	Ordinary	Recruitment services and human resource management	–	74.00	–	74.00
IBL Life Ltd (viii)	Mauritius	Ordinary	Biotechnologies	100.00	–	100.00	–
Life Together Medical Clinic Ltd (ix)	Mauritius	Ordinary	Clinical Activities	–	100.00	–	–
Care and Science Health Diagnostics Ltd (vii)	Mauritius	Ordinary	Medical and dental practice	–	100.00	–	–
Novalab (vii)	Mauritius	Ordinary	Laboratory testing	–	100.00	–	–
Plat-Form Laser	Mauritius	Ordinary	Laser treatment	–	100.00	–	100.00
Healthscape Ltd	Mauritius	Ordinary	Wellness	–	100.00	–	100.00
The Cryoact Ltd	Mauritius	Ordinary	Cryotherapy	–	51.00	–	51.00
CIDP Holding Ltd	Mauritius	Ordinary	Research and Biotechnology	–	90.00	–	90.00
Services Gestion des Compagnies Ltée (ii)	Mauritius	Ordinary	Management Services	–	–	–	90.00
CIDP Preclinical Ltd	Mauritius	Ordinary	Clinical testing	–	90.00	–	90.00
CIDP India Ltd	Mauritius	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00
CIDP Biotech India Private Limited	India	Ordinary	Clinical testing	–	89.10	–	89.10
CIDP International	Mauritius	Ordinary	Clinical research and investment	–	89.10	–	89.10
CIDP Biotechnology SRL	Romania	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	89.10	–	89.10
CIDP Brasil Ltd	Mauritius	Ordinary	Clinical research and investment	–	90.00	–	90.00
CIDP Do Brasil Pesquisas Clinicas Ltda	Brasil	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	89.10	–	89.10
Centre de Phytotherapie et de Recheche Ltée	Mauritius	Ordinary	Testing and analysis of plants	–	90.00	–	90.00
CIDP Singapore Ltd	Mauritius	Ordinary	Clinical research and investment	–	90.00	–	90.00
Centre International de Development Pharmaceutique Pte. Ltd	Singapore	Ordinary	Clinical testing of pharmaceutical and cosmetic products	–	90.00	–	90.00

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(viii) Capitalisation of loans
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
Lux Island Resorts Ltd	Mauritius	Ordinary	Hospitality and Tourism	56.47	–	56.47	–
Holiday & Leisure Resorts Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Merville Beach Hotel Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Merville Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Blue Bay Tokey Island Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Beau Rivage Co Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LIR Properties Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Les Pavillons Resorts Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LTK Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
FMM Ltée	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
MSF Leisure Company Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Hotel Prestige Reunion SAS	Reunion	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
LIRCO Ltd	Luxemburg	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Les Villas du Lagon SA	Reunion	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Naiade Holidays (Pty) Ltd	South Africa	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Lux Island Resort Foundation	Mauritius	Ordinary	Charitable institution	–	56.47	–	56.47
Lux Island Resort Maldives Ltd	Seychelles	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
White Sand Resorts & Spa Pvt Ltd	Maldives	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Oceanide Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
Nereide Limited	Mauritius	Ordinary	Hospitality and Tourism	–	56.47	–	56.47
The Lux Collective Ltd	Mauritius	Ordinary	Hospitality and Tourism	56.37	–	56.37	–
The LUX Collective UK Ltd	UK	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Island Light Vacations Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
LIRTA Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Lux Island Resort Seychelles Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Salt Hospitality Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Palm Boutique Hotel Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
The Lux Collective Pte Ltd	Singapore	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Cafe LUX Ltd	Mauritius	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
Lux Hotel Management (Shanghai) Co Ltd	China	Ordinary	Hospitality and Tourism	–	56.37	–	56.37
The Lux Collective LLC (ix)	Dubai	Ordinary	Hospitality and Tourism	–	56.37	–	–
IBL Link Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Universal Media Ltd	Mauritius	Ordinary	Media	–	55.00	–	55.00
GWS Technologies Ltd	Mauritius	Ordinary	Investment	–	80.00	–	80.00
IBL Ventures Ltd (ix)	Mauritius	Ordinary	Management consultancy	100.00	–	–	–
IBL Link Investments Ltd (ix)	Mauritius	Ordinary	Management consultancy	100.00	–	–	–
DotExe Ventures Ltd (ix)	Mauritius	Ordinary	Management consultancy	–	100.00	–	–
Air Mascareignes Limitée	Mauritius	Ordinary	Tourism	50.00	–	50.00	–
Australair General Sales Agency Ltd	Mauritius	Ordinary	Tourism and Travel	–	50.00	–	50.00
Australair GSA Comores SARL	Comoros	Ordinary	Tourism and Travel	–	50.00	–	50.00
Australair GSA Mada SA	Madagascar	Ordinary	Tourism and Travel	–	50.00	–	50.00
Catovair Comores SARL (i)	Comores	Ordinary	Tourism and Travel	–	50.00	–	50.00
Arcadia Travel Limited	Mauritius	Ordinary	Travel agency	100.00	–	100.00	–
Arcadia Travel Madagascar	Madagascar	Ordinary	Travel agency	–	100.00	–	100.00
Arcadia Travel Comores SARL	Comoros	Ordinary	Travel agency	–	100.00	–	100.00
Ground 2 Air Ltd	Mauritius	Ordinary	Ground handling	100.00	–	100.00	–
Equity Aviation Comores SARL	Mauritius	Ordinary	Ground handling	–	100.00	–	100.00
G2A Camas Ltd	Mauritius	Ordinary	Training	–	50.00	–	50.00
IBL Aviation Comores SARL (i)	Comoros	Ordinary	Tourism and Travel	–	100.00	–	100.00
IBL Cargo Village Ltd	Mauritius	Ordinary	Tourism and Travel	100.00	–	100.00	–
IBL Comores SARL	Comoros	Ordinary	Tourism	100.00	–	100.00	–
IBL Comores GSA Anjouan SARL	Comoros	Ordinary	Tourism	–	100.00	–	100.00
Compagnie Thonière de l'Ocean Indien Ltée (ii)	Mauritius	Ordinary	Rental of fishing boats	100.00	–	100.00	–
IBL Fishing Company Ltd	Mauritius	Ordinary	Shipping	100.00	–	100.00	–

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
IBL Regional Development Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Mada Aviation SARL	Madagascar	Ordinary	GSA	–	100.00	100.00	–
IBL Shipping Company Ltd (ii)	Mauritius	Ordinary	Import-Export	100.00	–	100.00	–
Ireland Fraser (Madagascar) SARL (ii)	Madagascar	Ordinary	Commerce	–	100.00	–	100.00
Logidis Limited	Mauritius	Ordinary	Warehousing	100.00	–	100.00	–
Mad Courrier SARL	Madagascar	Ordinary	Courier service	92.50	–	92.50	–
Société Mauricienne de Navigation Ltée (i)	Mauritius	Ordinary	Service provider	100.00	–	100.00	–
Somatrans Bolloré Logistics Ltd (Formerly known as Somatrans SDV Ltd)	Mauritius	Ordinary	Import-Export	75.00	–	75.00	–
Somatrans SDV Logistics Ltd	Mauritius	Ordinary	Import-Export	–	75.00	–	75.00
Southern Seas Shipping Company Limited	Mauritius	Ordinary	Shipping	100.00	–	100.00	–
Reefer Operations (BVI) Limited	British Virgin Island	Ordinary	Shipping	–	100.00	–	100.00
Indian Ocean Reefers Limited	British Virgin Island		Shipping	–	100.00		100.00
Reefer Operations Limited	Isle Of Man	Ordinary	Shipping	–	100.00	100.00	–
IBL LAS Support Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
Société de Transit Aérien et Maritime SARL (ii)	Madagascar	Ordinary	Clearing & forwarding	–	85.50	–	85.50
Bloomage Ltd	Mauritius	Ordinary	Real Estate & Property Management	100.00	–	100.00	–
MedWest Ltd (ix)	Mauritius	Ordinary	Real Estate & Property Management	–	100.00	–	–
OneMoka Ltd (ix)	Mauritius	Ordinary	Real Estate & Property Management	–	100.00	–	–
Southern Investments Ltd	Mauritius	Ordinary	Real Estate	–	100.00	–	100.00
The Ground Collaborative Space Ltd	Mauritius	Ordinary	Collaborative workspace	–	86.23	–	86.23
BlueLife Limited	Mauritius	Ordinary	Property Development & Holding Co	57.41	–	57.41	–
Haute Rive Holdings Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Suites Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Smart City Company Ltd (Formerly: Azuri Watch Ltd)	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Services Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Estate Management Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive Ocean Front Living Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive IRS Company Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Haute Rive PDS Company Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
HR Golf Holding Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Azuri Golf Management Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Circle Square Holding Company Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Life in Blue Limited	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Ocean Edge Property Management Company Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
Les Hauts Champs 2 Ltd	Mauritius	Ordinary	Property Development	–	57.41	–	57.41
PL Resort Ltd (iv)	Mauritius	Ordinary	Hospitality and Tourism	–	–	–	34.45
Haute Rive Azuri Hotel Company Ltd (iii)	Mauritius	Ordinary	Hospitality and Tourism	–	51.78	–	36.11
IBL India Investments Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries (continued)	Country of incorporation	Type of shares	Principal activity	2022 % held		2021 % held	
				Direct	Indirect	Direct	Indirect
Aquatic Proteins Private Limited	India	Ordinary	Manufacturing	–	70.00	–	70.00
Seafood Hub Limited	Mauritius	Ordinary	Investment	85.00	–	85.00	–
Cervonic Ltd	Mauritius	Ordinary	Manufacturing	–	85.00	–	85.00
Froid des Mascareignes Ltd	Mauritius	Ordinary	Storage	–	59.50	–	59.50
Transfroid Ltd	Mauritius	Ordinary	Import-Export	–	59.50	–	59.50
Marine Biotechnology Products Ltd	Mauritius	Ordinary	Manufacturing	–	70.36	–	70.36
Marine Biotechnology International Ltd	Mauritius	Ordinary	Investment	–	85.00	–	85.00
Marine Biotechnology Products Cote d'Ivoire	Ivory Coast	Ordinary	Investment	–	43.35	–	43.35
IBL Biotechnology Investment Holdings Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Biotechnology (Mauritius) Ltd (i)	Mauritius	Ordinary	Research and Development	90.00	–	90.00	–
IBL Gabon Investments Limited	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Tropical Holding SA	Gabon	Ordinary	Seafood	–	60.00	–	60.00
IBL Seafood Support Services Ltd	Mauritius	Ordinary	Support Services	100.00	–	100.00	–
IBL Biotechnology International Ltd	Mauritius	Ordinary	Research and Development	100.00	–	100.00	–
Blyth Brothers & Company Limited (previously called IBL Ugandan Holdings 1 Ltd)	Mauritius	Ordinary	Investment	100.00	–	100.00	–
Adam and Company Limited (i)	Mauritius	Ordinary	Inactive	–	100.00	–	100.00
Fondation Joseph Lagesse	Mauritius	Ordinary	Charitable institution	100.00	–	100.00	–
Les Cuisines Solidaires Ltée	Mauritius	Ordinary	Charitable institution	–	100.00	–	100.00
Chemin Rail & Amaury Housing Co Ltd	Mauritius	Ordinary	Charitable institution	–	100.00	–	100.00
Cassis Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
Equip and Rent Company Ltd	Mauritius	Ordinary	Rental of equipment	100.00	–	100.00	–
IBL Africa Investment Ltd	Mauritius	Ordinary	Investment	100.00	–	100.00	–
IBL Corporate Services Ltd (formely: IBL Loyalty Ltd)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL Entertainment Limited (i)	Mauritius	Ordinary	Inactive	–	100.00	–	100.00
IBL Entertainment Holding Limited (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL Treasury Management Ltd (i)	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IBL International Limited	Kenya	Ordinary	Business Development	100.00	–	100.00	–
IBL Training Services Limited	Mauritius	Ordinary	Training services	100.00	–	100.00	–
GML Immobilier Ltée	Mauritius	Ordinary	Inactive	100.00	–	100.00	–
IMV Services Ltd	Mauritius	Ordinary	Rental of equipment	100.00	–	100.00	–
I-Consult Limited	Mauritius	Ordinary	IT Services	100.00	–	100.00	–
I-Telecom Ltd	Mauritius	Ordinary	IT Services	100.00	–	100.00	–
Ireland Blyth (Seychelles) Ltd (i)	Seychelles	Ordinary	Inactive	100.00	–	100.00	–
Ireland Fraser and Company Limited (i)	Mauritius	Ordinary	inactive	100.00	–	100.00	–
IBL Management Ltd	Mauritius	Ordinary	Management Services	100.00	–	100.00	–
IBL Treasury Ltd	Mauritius	Ordinary	Treasury	100.00	–	100.00	–
SPCB Ltée (vi)	Mauritius	Ordinary	Investment	–	–	100.00	–
Ze Dodo Trail Ltd (ii)	Mauritius	Ordinary	Organiser of trails	100.00	–	100.00	–
I World Ltd (vi)	Mauritius	Ordinary	Commerce	–	–	100.00	–
Printvest Holding Ltd (vi)	Mauritius	Ordinary	Investment	–	–	100.00	–

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of non-wholly owned subsidiaries of the Group that have non-controlling interest:

	Percentage of voting rights held by non-controlling interests		Net profit/(loss) attributable to non-controlling interest		Accumulated non-controlling interests		Dividend paid to non-controlling interests	
	2022	2021	**2022**	2021 (Restated)	**2022**	2021 (Restated)	**2022**	2021
			Rs'000	Rs'000	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Lux Island Resorts Ltd	**43.53%**	43.53%	**217,051**	(450,195)	**3,995,504**	2,927,407	**-**	-
Camp Investment Company Limited	**50.40%**	50.40%	**339,560**	423,935	**4,197,169**	3,849,651	**(185,504)**	(179,588)
United Basalt Products Ltd	**66.86%**	66.86%	**(33,918)**	150,032	**2,444,259**	2,507,920	**(60,523)**	(69,677)
Chantier Naval de l'Océan Indien Ltd	**36.17%**	36.17%	**87,036**	58,528	**937,159**	984,619	**(50,186)**	(32,911)
Bluelife Limited	**42.59%**	42.59%	**48,787**	(121,443)	**951,175**	1,059,987	**-**	-
Individually immaterial subsidiaries with non-controlling interests			**123,688**	16,998	**(344,873)**	342,549	**(81,719)**	(55,599)
Total			**782,204**	77,855	**12,180,393**	11,672,133	**(377,932)**	(337,775)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Lux Island Resorts Ltd

	2022	2021 (Restated)
Summarised statement of financial position:	**Rs'000**	Rs'000
Current assets	**2,473,935**	1,144,605
Non-current assets	**14,700,802**	15,194,585
Current liabilities	**2,477,618**	2,935,576
Non-current liabilities	**8,075,148**	8,316,823
Equity attributable to owners of the company	**1,166,184**	1,415,301
Convertible bonds	**1,460,283**	744,083
Non-controlling interests	**3,995,504**	2,927,407

	2022	2021 (Restated)
Summarised statement of profit or loss:	**Rs'000**	Rs'000
Revenue from contracts with customers	**6,810,860**	2,334,695
Expenses	**(6,332,184)**	(3,369,014)
Profit/(loss) for the year	**478,676**	(1,034,319)
Profit/(loss) for the year:		
- Profit/(loss) attributable to owners of the company	**261,625**	(584,124)
- Profit/(loss) attributable to the non-controlling interests	**217,051**	(450,195)
	478,676	(1,034,319)
Other comprehensive income/(loss) for the year:		
- Other comprehensive income/(loss) attributable to owners of the company	**212,188**	(78,312)
- Other comprehensive income/(loss) attributable to the non-controlling interests	**166,729**	(67,432)
	378,917	(145,744)
Total comprehensive income/(loss) for the year:		
- Total comprehensive income/(loss) attributable to owners of the company	**473,813**	(662,436)
- Total comprehensive income/(loss) attributable to the non-controlling interests	**383,780**	(517,627)
	857,593	(1,180,063)
Summarised statement of cash flows:		
Net cash inflow/(outflow) from operating activities	**2,024,371**	(537,747)
Net cash outflow from investing activities	**(616,310)**	(758,923)
Net cash (outflow)/inflow from financing activities	**(101,139)**	1,429,943
Net cash inflow for the year	**1,306,922**	133,273

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Camp Investment Company Limited

Summarised statement of financial position:	2022 Rs'000	2021 Rs'000
Current assets	2,740,527	2,321,762
Non-current assets	5,657,357	5,450,049
Current liabilities	1,811,415	1,522,063
Non-current liabilities	1,018,845	1,154,902
Equity attributable to owners of the company	1,370,455	1,245,195
Non-controlling interests	4,197,169	3,849,651

Summarised statement of profit or loss:	2022 Rs'000	2021 Rs'000
Revenue from contracts with customers	9,014,922	7,868,359
Expenses	(8,561,457)	(7,300,436)
Profit for the year	453,465	567,923
Profit for the year:		
– Profit attributable to owners of the company	113,905	143,988
– Profit attributable to the non-controlling interests	339,560	423,935
	453,465	567,923
Other comprehensive income for the year:		
– Other comprehensive income attributable to owners of the company	64,979	104,450
– Other comprehensive income attributable to the non-controlling interests	209,281	243,265
	274,260	347,715
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	178,884	248,438
– Total comprehensive income attributable to the non-controlling interests	548,841	667,200
	727,725	915,638
Summarised statement of cash flows:		
Net cash inflow from operating activities	784,077	999,649
Net cash outflow from investing activities	(298,407)	(294,812)
Net cash outflow from financing activities	(442,609)	(380,970)
Net cash inflow for the year	43,061	323,867

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

United Basalt Products Limited

Summarised statement of financial position:	2022 Rs'000	2021 Rs'000
Current assets	2,014,636	1,580,577
Non-current assets	4,394,790	4,037,355
Current liabilities	1,322,485	693,272
Non-current liabilities	1,615,533	1,327,018
Equity attributable to owners of the Company	1,027,149	1,089,722
Non-controlling interests	2,444,259	2,507,920

Summarised statement of profit or loss:	2022 Rs'000	2021 Rs'000
Revenue from contracts with customers	4,073,535	3,373,210
Expenses	(4,130,248)	(3,157,648)
(Loss)/profit for the year	(56,713)	215,562
(Loss)/profit for the year		
– (Loss)/profit attributable to owners of the company	(22,795)	65,530
– (Loss)/profit attributable to the non-controlling interests	(33,918)	150,032
	(56,713)	215,562
Other comprehensive income for the year:		
– Other comprehensive income attributable to owners of the company	37,687	41,262
– Other comprehensive income attributable to the non-controlling interests	76,076	136,072
	113,763	177,334
Total comprehensive income for the year:		
– Total comprehensive income attributable to owners of the company	14,892	106,792
– Total comprehensive income attributable to the non-controlling interests	42,158	286,104
	57,050	392,896
Summarised statement of cash flows:		
Net cash inflow from operating activities	55,463	506,887
Net cash outflow from investing activities	(741,570)	(136,737)
Net cash inflow/(outflow) from financing activities	226,118	(186,954)
Net cash (outflow)/inflow for the year	(459,989)	183,196

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Chantier Naval de l'Océan Indien Limited

	2022 Rs'000	2021 Rs'000
Summarised statement of financial position:		
Current assets	1,006,770	565,747
Non-current assets	2,879,340	2,907,005
Current liabilities	675,111	272,201
Non-current liabilities	568,921	481,524
Equity attributable to owners of the Company	1,704,919	1,734,408
Non-controlling interests	937,159	984,619

	2022 Rs'000	2021 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	1,454,545	961,652
Expenses	(1,201,324)	(799,839)
Profit for the year	253,221	161,813
Profit for the year:		
- Profit attributable to owners of the company	166,185	103,285
- Profit attributable to the non-controlling interests	87,036	58,528
	253,221	161,813
Other comprehensive (loss)/income for the year:		
- Other comprehensive (loss)/income attributable to owners of the company	(148,785)	260,849
- Other comprehensive (loss)/income attributable to the non-controlling interests	(84,311)	147,813
	(233,096)	408,662
Total comprehensive income for the year:		
- Total comprehensive income attributable to owners of the company	17,400	364,134
- Total comprehensive income attributable to the non-controlling interests	2,725	206,341
	20,125	570,475
Summarised statement of cash flows:		
Net cash inflow from operating activities	214,662	383,070
Net cash outflow from investing activities	(269,912)	(502,859)
Net cash inflow from financing activities	43,107	167,047
Net cash (outflow)/inflow for the year	(12,143)	47,258

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

11. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Bluelife Limited

	2022 Rs'000	2021 Rs'000
Summarised statement of financial position:		
Current assets	740,779	1,223,718
Non-current assets	2,639,666	2,346,292
Current liabilities	553,072	1,155,677
Non-current liabilities	625,845	325,838
Equity attributable to owners of the Company	1,250,353	1,028,508
Non-controlling interests	951,175	1,059,987

	2022 Rs'000	2021 Rs'000
Summarised statement of profit or loss:		
Revenue from contracts with customers	717,683	199,761
Expenses	(598,476)	(400,597)
Profit/(loss) for the year	119,207	(201,517)
Profit/(loss) for the year		
- Profit/(loss) attributable to owners of the company	70,420	(80,074)
- Profit/(loss) attributable to the non-controlling interests	48,787	(121,443)
	119,207	(201,517)
Other comprehensive (loss)/income for the year:		
- Other comprehensive (loss)/ income attributable to owners of the company	(38,580)	49,845
- Other comprehensive (loss)/income attributable to the non-controlling interests	(28,569)	110,620
	(67,149)	160,465
Total comprehensive income/(loss) for the year:		
- Total comprehensive income/(loss) attributable to owners of the company	31,840	(30,229)
- Total comprehensive income/(loss) attributable to the non-controlling interests	20,218	(10,823)
	52,058	(41,052)
Summarised statement of cash flows:		
Net cash outflow from operating activities	(181,100)	(152,018)
Net cash inflow from investing activities	64,236	337,586
Net cash inflow/(outflow) from financing activities	209,246	(186,395)
Net cash inflow/(outflow) for the year	92,382	(827)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12. INVESTMENTS IN ASSOCIATES

(a) **THE GROUP**

	2022 Rs'000	2021 Rs'000
At 1 July	**10,180,691**	9,472,435
Additions	**8,421**	69,116
Additions – Deposit on capital	**4,564**	–
Disposals	**(145,131)**	–
Transfer to investment in subsidiaries	**–**	(34,351)
Impairment losses	**(259,942)**	(34,509)
Share of results – continuing operations	**870,570**	731,598
Dividend income	**(332,031)**	(257,690)
Remeasurement of retirement benefit obligations (OCI)	**(26,866)**	17,599
Movement in fair value reserves (OCI)	**495**	(14,612)
Movement in revaluation reserves (OCI)	**76,272**	–
Movement in reserves of associated companies (OCI)	**1,711**	–
Movement in currency translation reserves (OCI)	**(110,307)**	229,751
Movement in other reserves	**102,357**	7,699
Other movements in retained earnings	**(94,699)**	(6,345)
Transfer of revaluation reserves to retained earnings	**(5,204)**	–
Movement in retained earnings – change in percentage holding	**(72,175)**	–
Transfer from other financial assets (Note 14)	**35,958**	–
At 30 June	**10,234,684**	10,180,691

At 30 June 2022, the Group had recognised impairment losses mainly with respect to Princes Tuna (Mauritius) Ltd (Rs 240.5 million) and Mer des Mascareignes Limitée (Rs 24.5 million) due to recoverable amounts being lower than the carrying values. The recoverable amounts of the associates were determined based on their value-in-use calculations. These calculations are based on a price to earnings multiple of 10 for Princes Tuna (Mauritius) Ltd and a revalued net asset value for Mer des Mascareignes Limitée.

(b) **THE COMPANY**

	Listed Rs'000	Unquoted Rs'000	Total Rs'000
At FVTOCI			
At 01 July 2020	1,338,106	3,987,420	5,325,526
Disposal		(980)	(980)
Transfer to subsidiaries (Note 11)	–	(80,434)	(80,434)
Fair value adjustments	933,153	(118,398)	814,755
At 30 June 2021	2,271,259	3,787,608	6,058,867
At 01 July 2021	**2,271,259**	**3,787,608**	**6,058,867**
Additions	**–**	**9,762**	**9,762**
Fair value adjustments	**528,200**	**14,388**	**542,588**
At 30 June 2022	**2,799,459**	**3,811,758**	**6,611,217**

(c) Additions during the year have been financed as follows:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Cash consideration	**12,985**	69,116	**9,762**	–

(d) The Group and the Company have pledged their investments to secure banking facilities obtained.

(e) Refer to Note 34 for commitments and Note 35 for contingent liabilities related to associates of the Group.

(f) The carrying amount of the investment in associates include an investment in preference shares of Rs 16,291,000 in Victoria Station Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(g)

Details of associates	Country of incorporation	Type of shares	2022 % held Direct	2022 % held Indirect	2021 % held Direct	2021 % held Indirect
AfrAsia Bank Limited	Mauritius	Ordinary	**30.29**	**–**	30.29	–
AfrAsia Investments Limited	Mauritius	Ordinary	**–**	**30.29**	–	30.29
Alteo Ltd	Mauritius	Ordinary	**27.64**	**–**	27.64	–
Compagnie des Travaux Maritimes des Mascareignes Ltee (iii)	Mauritius	Ordinary	**–**	**25.00**	–	25.00
Cosy Club Management Services Ltd	Mauritius	Ordinary	**–**	**44.67**	–	44.67
Crown-Corks Industries Ltd	Mauritius	Ordinary	**–**	**7.07**	–	7.07
DDL Promotion Ltee (i)	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Chronopost (Mauritius) Ltd	Mauritius	Ordinary	**25.00**	**–**	25.00	–
Island Management Ltd	Mauritius	Ordinary	**25.00**	**–**	25.00	–
IBL Energy Efficiency Ltd (iii)	Mauritius	Ordinary	**–**	**35.00**	–	35.00
IBL Photovoltaic Solutions Ltd (iii)	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Energie des Mascareignes Limitée	Mauritius	Ordinary	**30.00**	**–**	30.00	–
Identical Media Holding Ltd	Mauritius	Ordinary	**–**	**10.48**	–	10.48
Madalg SARL (iii)	Madagascar	Ordinary	**40.00**	**–**	40.00	–
Mauritian Commodities and Applied Solutions Co. Ltd (formerly: Mauritius Coal and Allied Services Co Ltd)	Mauritius	Ordinary	**49.00**	**–**	49.00	–
Medscheme (Mtius) Ltd	Mauritius	Ordinary	**–**	**18.00**	–	18.00
H. Savy Insurance Company Ltd	Mauritius	Ordinary	**–**	**12.00**	–	12.00
LCL Cynologics Ltd	Mauritius	Ordinary	**–**	**29.02**	–	29.02
Mer des Mascareignes Limitée	Mauritius	Ordinary	**–**	**42.50**	–	42.50
MDM Distribution Ltd	Mauritius	Ordinary	**–**	**42.50**	–	42.50
Nutrifish SAS	France	Ordinary	**–**	**41.25**	–	41.25
Princes Tuna (Mauritius) Ltd	Mauritius	Ordinary	**23.37**	**17.27**	23.37	17.27
Nouvelle Clinique du Bon Pasteur (ii)	Mauritius	Ordinary	**–**	**27.57**	–	–
Quantilab Holding Ltd	Mauritius	Ordinary	**–**	**50.00**	–	50.00
Real Soft Ltd	Mauritius	Ordinary	**–**	**40.00**	–	40.00
Scimat SAS	Reunion	Ordinary	**50.00**	**–**	–	–
Switch Energy Ltd	Mauritius	Ordinary	**–**	**21.27**	–	21.27
Price Guru Ltd	Mauritius	Ordinary	**–**	**20.00**	–	20.00
Victoria Station Ltd	Mauritius	Ordinary	**–**	**19.34**	–	19.34
Proxifresh Ltd	Mauritius	Ordinary	**–**	**50.00**	–	–
Pre Mixed Concrete Ltd	Mauritius	Ordinary	**–**	**–**	–	16.24
Cement Transport Ltd	Mauritius	Ordinary	**–**	**8.29**	–	8.29
Terrarock Ltd	Mauritius	Ordinary	**–**	**15.24**	–	15.24
Prochimad Mines et Carrières SARL	Madagascar	Ordinary	**–**	**11.27**	–	11.27
Compagnie Mauricienne d'Entreprise Ltée	Mauritius	Ordinary	**–**	**6.70**	–	6.70

(i) Companies are inactive

(ii) Increase in shareholding

(iii) These have not been equity accounted in the financial statements as they were inactive and not material to the Group

All the above associates are accounted using the equity method in the consolidated financial statements, except where mentioned otherwise.

(h) Information presented in aggregate for associates that are not individually significant:

	2022 Rs'000	2021 Rs'000
The Group's share of profit from continuing operations	**206,665**	42,011
The Group's share of other comprehensive income	**571,171**	72,548
The Group's share of profit and total comprehensive income	**777,836**	114,559
Carrying amount of the Group's total interest in its associates	**341,926**	619,330

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates

The table below presents a summary of financial information in respect of each of the significant associates of the Group. This summary represents the amounts reported in the financial statements of the respective associates prepared in accordance with IFRS.

AfrAsia Bank Limited

	2022 Rs'000	2021 Rs'000
Summarised statements of financial position:		
Current assets	149,032,981	142,851,180
Non-current assets	59,966,708	47,232,041
Current liabilities	191,198,510	175,989,301
Non-current liabilities	7,608,961	5,037,226
Equity attributable to other shareholders	1,385,768	1,385,768
Summarised statements of profit or loss:		
Net operating income	3,297,512	2,112,728
Profit for the year attributable to ordinary shareholders of the company	1,429,266	929,596
Other comprehensive income attributable to ordinary shareholders of the company	6,288	13,262
Total comprehensive income for the year attributable to ordinary shareholders of the company	1,435,554	942,858
Group's share of profit for the year of the associate	413,223	237,219
Group's share of total comprehensive income of the associate	1,905	4,055
Dividend income from associate	71,177	114,294

Reconciliation of financial information summarised above and the carrying value of the investment in AfrAsia Bank Limited recorded in the consolidated financial statements:

	2022 Rs'000	2021 Rs'000
Net assets of the associate attributable to the Group	8,806,450	7,670,926
Percentage holding by the Group (Note 12(g))	30.29%	30.29%
Share of net assets	2,667,474	2,323,523
Goodwill	364,963	364,963
Carrying value of the Group's share	3,032,437	2,688,486

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates (Continued)

Alteo Ltd

	2022 Rs'000	2021 Rs'000
Summarised statement of financial position:		
Current assets	13,284,244	7,367,844
Non-current assets	18,742,424	23,801,845
Current liabilities	9,335,611	5,281,176
Non-current liabilities	3,378,177	7,227,964
Equity attributable to other shareholders	1,747,076	1,651,147
Summarised statement of profit or loss:		
Revenue from contracts with customers	12,100,019	9,549,122
Profit for the year attributable to ordinary shareholders of the company	996,436	1,158,973
Other comprehensive income attributable to ordinary shareholders of the company	72,701	247,683
Total comprehensive income attributable to ordinary shareholders of the company	1,069,137	1,406,656
Group's share of profit for the year of the associate	275,415	320,341
Group's share of total comprehensive income of the associate	17,641	68,734
Dividend income from associate	69,545	63,384

Reconciliation of financial information summarised above and the carrying value of the investment in Alteo Ltd recorded in the consolidated financial statements:

	2022 Rs'000	2021 Rs'000
Net assets of associate	17,565,804	17,009,402
Percentage holding by the Group (Note 12(g))	27.64%	27.64%
Share of net assets	4,855,188	4,701,399
Carrying value of the Group's share	4,855,188	4,701,399

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12. INVESTMENTS IN ASSOCIATES (CONTINUED)

(i) Details of significant associates (Continued)

Princes Tuna (Mauritius) Ltd

	2022	2021
Summarised statement of financial position:	**Rs'000**	Rs'000
Current assets	**4,321,138**	4,169,162
Non-current assets	**2,620,664**	3,146,181
Current liabilities	**2,601,008**	2,429,382
Non-current liabilities	**496,586**	682,273
Equity attributable to other shareholders	**289,194**	267,852
Summarised statement of profit or loss:		
Revenue from contracts with customers	**10,465,002**	9,231,203
(Loss)/profit for the year attributable to ordinary shareholders of the company	**(56,622)**	302,261
Other comprehensive income/(loss) attributable to ordinary shareholders of the company	**89,803**	(102,167)
Total comprehensive income for the year attributable to ordinary shareholders of the company	**33,181**	200,094
Group's share of (loss)/profit for the year of the associate	**(24,732)**	132,027
Group's share of total comprehensive income of the associate	**14,493**	87,401
Dividend income from associate	**36,223**	33,664

Reconciliation of financial information summarised above and the carrying value of the investment in Princes Tuna (Mauritius) Ltd recorded in the consolidated financial statements:

	2022	2021
	Rs'000	Rs'000
Net assets of associate attributable to the Group	**3,555,014**	3,935,836
Pecentage holding by the Group (Note 12(g))	**43.68%**	43.68%
Share of net assets	**1,552,830**	1,719,173
Goodwill	**452,303**	452,303
Carrying value of the Group's share	**2,005,133**	2,171,476

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

13. INVESTMENTS IN JOINT VENTURES

Details of joint ventures	Type of Shares	Country of incorporation		Percentage held 2022	2021
City Brokers Ltd	Ordinary	Mauritius	Direct	**50.00**	50.00
Manser Saxon Facilities Ltd	Ordinary	Mauritius	Indirect	**50.00**	46.24
Proxifresh Ltd (ii)	Ordinary	Mauritius	Direct	**–**	50.00
Panacea Pharma Ltee (i)	Ordinary	Mauritius	Indirect	**50.00**	–
Laboratoire d'Innovations Phyto-Aromatiques Ltee (i)	Ordinary	Mauritius	Indirect	**50.00**	–

(i) Increase in stake and transferred from investments in other financial assets

(ii) Transferred to investment in associates

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At July 1	**90,950**	117,057	**382,625**	302,580
Additions	**29,061**	16,602	**–**	16,602
Share of results - continuing operations	**34,986**	25,431	**–**	–
Dividends	**(50,000)**	(55,537)	**–**	–
Fair value movement	**–**	–	**24,307**	63,443
Impairment loss (Note 33)	**–**	(16,610)	**–**	–
Share of other comprehensive income	**4,107**	4,508	**–**	–
Transfer to investment in subsidiary	**–**	(501)	**–**	–
At 30 June	**109,104**	90,950	**406,932**	382,625

The Company classified and measured its investments in joint ventures at FVTOCI.

There are no contingent liabilities and capital commitments with respect to the joint ventures (2021: nil).

None of the joint ventures are individually significant to the Group.

Information presented in aggregate for the joint ventures that are not individually significant:

	2022	2021
	Rs'000	Rs'000
Current assets	**209,403**	265,624
Non-current assets	**78,213**	19,720
Current liabilities	**151,015**	196,333
Non-current liabilities	**28,591**	17,716
Net assets	**108,010**	71,295
Share of net assets	**54,005**	35,851
Goodwill	**55,099**	55,099
Group's share of net assets of the joint ventures	**109,104**	90,950
Revenue from contracts with customers	**350,893**	328,332
Profit for the year (continuing operations)	**75,139**	56,878
Total comprehensive income for the year (continuing operations)	**72,393**	51,136
Group's share of results for the year - continuing operations	**34,986**	25,431
Group's share of other comprehensive income for the year	**4,107**	4,508
Group's share of total comprehensive income for the year	**39,093**	29,939

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

14. OTHER FINANCIAL ASSETS

THE GROUP	Fair value through OCI	Fair value through profit or loss	Measured at amortised cost	Total
	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020	365,368	330,944	212,604	908,916
Additions	38,253	113,016	313,136	464,405
Acquisition of subsidiaries (Note 38(a))	59	–	–	59
Disposals	(47,034)	(100,273)	(159,516)	(306,823)
Fair value adjustments	33,632	85,667	–	119,299
Exchange differences	1,264	–	5,690	6,954
Accrued interest during the year	–	–	4,185	4,185
Expected credit losses (Note (i))	(7)	–	–	(7)
Reversal of expected credit losses	14	–	772	786
At 30 June 2021	391,549	429,354	376,871	1,197,774
At 01 July 2021	**391,549**	**429,354**	**376,871**	**1,197,774**
Additions	**36,845**	**163,350**	**181,450**	**381,645**
Disposals	**(49,128)**	**(230,856)**	**(59,881)**	**(339,865)**
Fair value adjustments	**41,643**	**(13,395)**	**–**	**28,248**
Translation differences	**(275)**	**–**	**(572)**	**(847)**
Transfer to investments in associates (Note 12)	**(16,291)**	**–**	**(19,667)**	**(35,958)**
Accrued interest during the year	**–**	**–**	**(74)**	**(74)**
Expected credit losses (Note (i))	**–**	**–**	**3,839**	**3,839**
At 30 June 2022	**404,343**	**348,453**	**481,966**	**1,234,762**

Analysed as follows:	2022	2021
	Rs'000	Rs'000
Current	**256,183**	195,714
Non-current	**978,579**	1,002,060
	1,234,762	1,197,774
Analysed as follows:		
Listed	**576,065**	488,588
Unquoted	**658,697**	709,186
	1,234,762	1,197,774

THE COMPANY	Equity securities designated at FVTOCI	Equity securities measured at FVTPL	Total
	Rs'000	Rs'000	Rs'000
At 01 July 2020	122,369	–	122,369
Disposal	–	(3,500)	(3,500)
Fair value adjustments	(20,069)	3,500	(16,569)
At 30 June 2021	102,300	–	102,300
At 01 July 2021	**102,300**	**–**	**102,300**
Additions	**13,590**	**–**	**13,590**
Fair value adjustments	**9,331**	**–**	**9,331**
At 30 June 2022	**125,221**	**–**	**125,221**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

14. OTHER FINANCIAL ASSETS (CONTINUED)

	Listed		Unquoted	
	2022	2021	2022	2021
Analysed as follows:	**Rs'000**	Rs'000	**Rs'000**	Rs'000
At 01 July 2021	**32,805**	28,499	**69,495**	93,870
Additions	**–**	–	**13,590**	–
Fair value adjustments	**3,652**	4,306	**5,679**	(20,875)
Disposal	**–**	–	**–**	(3,500)
At 30 June 2022	**36,457**	32,805	**88,764**	69,495

(i) Impairment of financial assets:

At Group level, the corporate bonds and deposits are held mainly with reputable local banks and listed entities. The directors have assessed that the credit risk on these financial instruments has not increased significantly since initial recognition and recognises 12-month ECL for these assets. The directors have determined the credit ratings of these instruments to be BBB- to BB+ based on the sovereign rating and external rating for main local banks. A loss rate given default of 45% has been applied in determining the ECL on the assumption that these corporate bonds are unsecured. There was no impairment of the financial assets at Company level (2021: nil).

15. INVENTORIES

	THE GROUP			THE COMPANY	
	2022	2021 (Restated)	2020 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Raw materials	**1,297,260**	1,093,828	1,277,817	**–**	–
Spare parts and consumables	**608,365**	287,459	253,785	**769**	868
Work in progress - others	**534,247**	92,931	204,233	**–**	–
Work in progress - property	**497,081**	779,388	–	**–**	–
Finished goods	**4,303,634**	3,475,346	3,145,910	**1,295,410**	945,682
Goods in transit	**748,056**	531,437	285,408	**282,655**	241,533
Stock of land for sale	**88,551**	218,269	172,508	**–**	–
	8,077,194	6,478,658	5,339,661	**1,578,834**	1,188,083

The trading stocks of some subsidiaries have been pledged as security for bank facilities granted to them. The carrying amount of inventories pledged as securities is Rs 2,982.4 million (2021: Rs 2,902.1 million) for the Group and Rs 1,578.8 million (2021: Rs 1,188.1 million) for the Company. The cost of inventories recognised as an expense includes an amount of Rs 82.4 million (2021: Rs 85.0 million) in respect of write down of inventories to net realisable value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES

(a) Right of use assets

The Group as a lessee

The Group and the Company have lease contracts for land and buildings, plant and equipment, motor vehicles, office furniture and computer equipment which contain lease components used in their operations. Land and buildings have lease terms between 7 and 60 years, plant and equipment have lease terms of 4 to 10 years, motor vehicles have lease terms between 5 and 7 years and office furniture and computer equipment have lease terms of 1 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

	THE GROUP					THE COMPANY		
	Land and building	Plant and equipment	Motor vehicles	Office furniture and Computer equipment	Total	Land and building	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 July 2020								
- As previously reported	4,452,480	476,937	164,177	15,238	5,108,832	52,581	11,528	64,109
- Effect of prior year restatement (Note 44)	(72,519)	-	-	-	(72,519)	-	-	-
- As restated	4,379,961	476,937	164,177	15,238	5,036,313	52,581	11,528	64,109
Additions for the year	115,709	39,863	113,693	11,432	280,697	1,841	37,330	39,171
Acquisition of subsidiaries (Note 38(a))	4,211	-	-	-	4,211	-	-	-
Disposal of subsidiaries (Note 38(b))	(280,127)	(15,333)	-	-	(295,460)	-	-	-
Impairment of leased assets (Note (i) and 33)	(59,801)	(2,264)	(8,046)	-	(70,111)	-	(7,490)	(7,490)
Reassessment of leases (Note (ii))	11,606	-	-	-	11,606	-	-	-
Transfer (to) / from property, plant and equipment (Note 4)	-	(3,539)	9,227	-	5,688	-	-	-
Transfer from intangible assets (Note 6)	58,050	-	-	-	58,050	-	-	-
Transfer to held for sale	(79,334)	-	-	-	(79,334)	-	-	-
Depreciation charge for the year	(397,044)	(57,640)	(116,667)	(5,094)	(576,445)	(14,005)	(8,711)	(22,716)
Exchange differences	446,445	11	7,671	-	454,127	-	-	-
At 30 June 2021	4,199,676	438,035	170,055	21,576	4,829,342	40,417	32,657	73,074
At 01 July 2021								
- As previously reported	**4,272,221**	**438,035**	**170,055**	**21,576**	**4,901,887**	**40,417**	**32,657**	**73,074**
- Effect of prior year restatement (Note 44)	**(72,545)**	**-**	**-**	**-**	**(72,545)**	**-**	**-**	**-**
- As restated	**4,199,676**	**438,035**	**170,055**	**21,576**	**4,829,342**	**40,417**	**32,657**	**73,074**
Additions for the year	**38,384**	**128,269**	**106,792**	**269**	**273,714**	**2,782**	**11,449**	**14,231**
Acquisition of subsidiaries (Note 38 (a))	**256,001**	**9,768**	**83,677**	**8,220**	**357,666**	**-**	**-**	**-**
Impairment of leased assets (Note (i) and 33)	**(35,790)**	**-**	**-**	**-**	**(35,790)**	**-**	**-**	**-**
Reassessment of leases (Note (ii))	**83,656**	**247**	**1,119**	**-**	**85,022**	**-**	**-**	**-**
Transfer to property, plant and equipment (Note 4)	**-**	**(11,872)**	**(9,117)**	**-**	**(20,989)**	**-**	**(504)**	**(504)**
Transfer to held for sale (Note 21)	**(28,519)**	**-**	**-**	**-**	**(28,519)**	**-**	**-**	**-**
Exchange differences	**42,450**	**(17)**	**(5,698)**	**-**	**36,735**	**-**	**-**	**-**
Depreciation charge for the year	**(381,760)**	**(51,568)**	**(146,907)**	**(709)**	**(580,944)**	**(14,143)**	**(10,385)**	**(24,528)**
At 30 June 2022	**4,174,098**	**512,862**	**199,921**	**29,356**	**4,916,237**	**29,056**	**33,217**	**62,273**

(i) As a consequence of the downward medium-term trading expectations due to the current economic environment which has been exacerbated by the global COVID-19 pandemic, the Group has impaired its right of use by Rs 35.79 million for the year ended 30 June 2022 (2021: 70.11 million). The recoverable amount has been determined based on the fair value less cost to sell.

The impairment loss at Company level amounting to Rs 7.5 million for the year ended 30 June 2021 relates to an accidented motor vehicle which was fully impaired. No impairment has been booked at Company level for the year ended 30 June 2022.

(ii) During the year, leases have been reassessed due to changes in the lease terms which are not lease modifications.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(b) Lease liabilities

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 1 July				
- As previously reported	**4,585,174**	4,652,050	**76,883**	66,284
- Effect of prior year restatement (Note 44)	**1,420**	1,420	**-**	-
- As restated	**4,586,594**	4,653,470	**76,883**	66,284
Additions for the year	**246,187**	276,999	**13,534**	39,929
Acquisition of subsidiaries (Note 38(a))	**391,787**	4,371	**-**	-
Interest expense (Note 32)	**345,349**	355,681	**4,128**	4,061
Disposal of subsidiaries (Note 38(b))	**-**	(309,236)	**-**	-
Termination of lease released to profit or loss	**(3,843)**	(17,776)	**-**	(7,717)
Reassessment of lease liability (Note a(ii))	**42,162**	-	**-**	-
Transfer to assets classified as held for sale (Note 21)	**(39,739)**	(70,500)	**-**	-
Lease payment	**(920,592)**	(785,831)	**(26,374)**	(25,674)
Exchange differences	**(31,780)**	479,416	**-**	-
At 30 June	**4,616,125**	4,586,594	**68,171**	76,883

	THE GROUP			THE COMPANY	
	2022	2021 (Restated)	2020 (Restated)	**2022**	2021
	Rs'000	Rs'000	Rs'000	**Rs'000**	Rs'000
Analysed as follows:					
Current	**578,499**	554,697	474,087	**22,553**	22,027
Non-current	**4,037,626**	4,031,897	4,179,383	**45,618**	54,856
	4,616,125	4,586,594	4,653,470	**68,171**	76,883

Refer to Note 22(e) for the cash and non-cash movements in lease liabilities.

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
The following are the amounts recognised in profit or loss:				
Depreciation charged of right of use assets	**580,944**	578,482	**24,528**	22,716
Interest expense on lease liabilities (Note 32)	**345,349**	355,681	**4,128**	4,061
COVID-19 rent concession (Note 33)	**-**	18,477	**-**	-
Total amount recognised in profit or loss	**926,293**	952,640	**28,656**	26,777

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group and the Company had total cash outflows for leases amounting to Rs 957 million (2021: Rs 823 million) and Rs 26 million (2021: Rs 25 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

16. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(c) Minimum lease payments:

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Within one year	**778,880**	847,061	**19,375**	6,345
After one year but not more than five years	**2,801,267**	2,875,508	**70,431**	105,308
More than five years	**11,993,091**	12,015,466	**-**	-
	15,573,238	15,738,035	**89,806**	111,653
Less: future finance charges	**(10,957,113)**	(11,151,441)	**(21,635)**	(34,770)
Present value of lease obligations	**4,616,125**	4,586,594	**68,171**	76,883

The present value of liabilities may be analysed as follows:

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Within one year	**578,499**	554,697	**22,553**	22,027
After one year but not more than five years	**2,438,003**	1,880,959	**45,618**	54,856
More than five years	**1,599,623**	2,150,938	**-**	-
	4,616,125	4,586,594	**68,171**	76,883

(d) The effective interest rates at the end of reporting date were as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
Lease liabilities	**3.0% - 8.0 %**	3.0% - 7.5 %	**3.0% - 8.0%**	3.0% - 7.5%

During the year under review, the Group has taken exemption for short-term lease accounting amounting to Rs 5.4 million (2021: Rs 37.1 million). These leases were taken for a period of 6 - 12 months.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

17. NON-CURRENT RECEIVABLES

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Amount due from related parties (Note (a))	**-**	1,850	**395,944**	429,517
Loan receivable	**-**	94,426	**-**	-
Less: Provision for expected credit losses (Note (b))	**-**	(96,276)	**(242,626)**	(337,906)
Other amounts receivable (Note (c))	**79,288**	90,763	**-**	-
Other asset	**1,500**	1,500	**1,500**	1,500
At 30 June	**80,788**	92,263	**154,818**	93,111

(a) Amount due from related parties

The Group and the Company have determined lifetime expected credit loss on loan receivables from related companies based on expected recovery of the related debts.

Amount due from related parties for the Company are unsecured and repayable on demand but not within the next 12 months. Receivable amounting to Rs 240 million (2021: Rs 127 million) are interest-free while remaining balances of Rs 156 million (2021: Rs 321 million) bear interest at rates ranging from 4.0% to 8.0% (2021: 3.1% to 7.75%). In determining the expected credit losses, the Company has assessed the ability of the related parties to pay the debts if demanded at reporting date and where the borrower has access to unrestricted cash to repay the debt, the ECL determined is immaterial. If the borrower cannot repay the debts at reporting date, management has determined a recovery period usually between 3 to 5 years on the basis that the entities will continue operations and generate future cash flows. The expected credit loss will be limited to the effect of discounting the amount due on the loan (at the loan's effective interest rate, which might be 0% if the loan is interest free) over the period until cash is realised. If the time period to realise cash is short or the effective interest rate is low, the effect of discounting might be immaterial. If the effective interest rate is 0%, and all strategies indicate that the lender would fully recover the outstanding balance of the loan, there is no impairment loss to recognise.

During the year ended 30 June 2021 and 2022, the Company waived several balances due from related parties which were converted into equity investments.

(b) Set out below is the movement in the loss allowance:

	THE GROUP	THE COMPANY
	Rs'000	Rs'000
At 01 July 2020	1,850	349,484
Increase in loss allowance recognised in profit or loss during the year	94,426	7,195
Amounts recovered during the year	-	(18,773)
At 30 June 2021	96,276	337,906
At 01 July 2021	**96,276**	**337,906**
Decrease in loss allowance recognised in profit or loss during the year	**(96,276)**	**(49,406)**
Amounts recovered during the year	**-**	**(45,874)**
At 30 June 2022	**-**	**242,626**

(c) Other amounts receivable relate to deposits which are repayable after more than one year.

Other receivables also include an amount of Rs 43,124,000 relating to sale of SAS Hotel Le Récif. As per the deed of sale of SAS Hotel Le Récif, an amount of EUR 1 million is receivable 4 years after effective date of transfer. Furthermore a contingent fee of EUR 1 million is payable upon Hotel Le Récif achieving a target EBITDA. The contingent fee has not been included at this stage as it is very difficult to assess whether the set target results would be achieved. The proceeds receivable is interest free and has been accounted as its net present value using an effective discount rate of 3%.

(d) Management has assessed ECL on other amounts receivable and other financial asset and the amount is insignificant (2021: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

18. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Trade receivables (Note (a))	**4,483,299**	3,846,082	**1,068,832**	1,068,724
Trade receivables from related parties	**223,716**	233,590	**16,791**	13,528
Less: Allowance for expected credit losses	**(718,054)**	(746,407)	**(74,575)**	(58,539)
	3,988,961	3,333,265	**1,011,048**	1,023,713
Other receivables	**1,501,227**	1,015,934	**93,040**	60,990
Less: Allowance for expected credit losses (Note (b))	**(10,610)**	(17,464)	**-**	(16,476)
Prepayments	**436,340**	304,557	**44,598**	49,241
Tax receivables (VAT, TDS, etc.)	**120,658**	249,341	**9,877**	17,425
Dividend receivable	**68,223**	98,134	**475,568**	349,763
	6,104,799	4,983,767	**1,634,131**	1,484,656

The receivable balances are unsecured and interest free at year end. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

(a) *Trade receivables*

Before accepting any new customer, the Group and the Company assess the potential customer's credit quality and define credit limits by customer and these are reviewed on a regular basis. The concentration of credit risk is limited due to the customer base being large and unrelated.

The Group and the Company have recognised allowance for expected credit losses against trade receivables by reference to past default experience on an individual basis.

The Group and the Company measure the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The provision rates are based on days past due for grouping of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and credit terms). The Group has presented the credit risk exposure on trade receivables by the different business clusters consistent with the reportable segments. The Company's trade receivables arise from services provided by corporate office as well as operations in commercial and logistics clusters mainly from sale of consumer goods, healthcare products and equipment and rendering of shipping and aviation services.

Due to the current economic uncertainty relating to COVID-19, consistent with prior year, the Group has assessed the credit risk of debtors operating in impacted sectors such as hospitality and construction and made specific provision where required. No overlay on ECL was made in the year under review (2021: Rs Nil).

Building & Engineering

The activities within this cluster consist of engineering and contracting services including providing related services as well as sale of building materials. The average credit period on sales of goods and services ranges from 30 to 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 180 days to 360 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Some of the entities within this cluster have segmented the trade receivables by customer/product/service types (e.g. related/non related, electrical, parts, storage and furniture). The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed) where historical experience has indicated that these receivables are generally not recoverable.

Commercial & Distribution

The Commercial & Distribution cluster consists mainly of sale of consumer goods/products, healthcare and industrial goods and rendering of related services. The average credit period on sales of goods and services ranges between 30 to 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 90 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Some of the entities within the cluster have segmented the trade receivables by geography/customer base (e.g. countries of exportation - Madagascar, Seychelles, hotel, restaurant, cafe (HORECA), retail key account, retail modern account, retail traditional account, Government). The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that the receivables are generally not recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

Logistics

This cluster provides logistics, shipping and aviation services to clients. The average credit period on sales of most services is 30 days except for provision of aviation courses which has a credit period of 150 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 90 days to 150 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables have been segmented between related and non-related for some entities. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Seafood

The activities within this cluster include production and distribution of seafood and associated products as well as provision of handling and storage services of seafood products. The average credit period on sales of goods and services is 0 to 60 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 120 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables for certain entities have been segmented based on credit period granted to customers. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Financial Services

The Financial Services cluster includes mainly revenue from global business management and insurance business. The average credit period on provision of services is 90 days. Management considers trade receivables to be in default when contractual payments are past due for a period ranging from 120 days to 180 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. No segmentation has been done by the entities as the historical loss experience does not show significantly different loss patterns for different customer segments. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Property

Revenue from Property cluster includes mainly property management, real estate development and income from rental of properties. The average credit period on rendering of services ranges from 0 to 30 days. Management considers trade receivables to be in default when contractual payments are past due for 90 days based on the business environment in which the entities operate taking into consideration the market dynamics, customer base and competition. Trade receivables have been segmented between related and non-related for some entities. The entities have recognised a loss allowance of 100% against receivables over default period (except where repayment plan has been agreed or debts have been recovered) where historical experience has indicated that these receivables are generally not recoverable.

Hospitality & Services

This cluster provides hospitality services to its clients. Trade receivables are not secured, non interest-bearing and are generally on 30 days term. Impairment of receivables have been assessed on an individual basis and also on a collective basis under the 'Expected Credit Loss' model. The hospitality group has subscribed to a credit protection scheme for its trade receivables with a Global Service Provider, with a view to minimise its credit risk exposure. Bad debts written off which were provided for relate to individual debtor balances which have been impaired during the year and which were not previously provided for.

Life & Technologies

The activities within this cluster include clinical research and development and chemical, toxicological and microbiological analysis, medical diagnosis, medical and para-medical treatment and patient care. It also includes digital solutions in the web and e-commerce space. Trade receivables are considered in default when contractual payments are 90 days past due. However, in certain cases, receivables are considered to be in default when internal or external information indicates that it is unlikely that the outstanding contractual amounts will be received in full before taking into account any credit enhancements held. The balance is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) *Trade receivables (Continued)*

The following table details the credit risk exposure of trade receivables based on the Group's and Company's provision matrix at 30 June 2022 and 30 June 2021:

THE GROUP

		Number of days past due									
At 30 June 2022	**Not past due**	**<30**	**31 – 60**	**61 – 90**	**91 – 120**	**121 – 150**	**151 – 180**	**181 – 270**	**271 – 360**	**>360**	**Total**
Expected credit loss rate (%)	**0 – 6.0**	**1.0 – 10.0**	**1.0 – 13.0**	**1.0 – 14.67**	**1.0 – 63.14**	**1.0 – 100**	**3.0 – 100**	**5.0 – 100**	**5.0 – 100**	**64.0 – 100**	
Expected total gross carrying amount at default (Rs'000)	**1,854,451**	**1,037,362**	**492,655**	**207,192**	**245,845**	**190,267**	**47,800**	**121,477**	**49,320**	**460,646**	**4,707,015**
Lifetime ECL (Rs'000)	**(57,887)**	**(17,293)**	**(12,293)**	**(16,862)**	**(108,687)**	**(25,066)**	**(22,097)**	**(25,593)**	**(32,800)**	**(399,476)**	**(718,054)**
At 30 June 2021											
Expected credit loss rate (%)	0.08 – 4.74	0.20 – 8.0	0.39 – 13.16	0.47 – 18.70	0.54 – 34.53	0.82 – 64.78	8.15 – 100	15.56 – 100	36.89 – 100	100	
Expected total gross carrying amount at default	1,338,283	825,856	388,124	294,536	195,087	159,846	109,439	122,592	36,148	609,761	4,079,672
Lifetime ECL (Rs'000)	(11,304)	(9,600)	(7,495)	(9,546)	(12,714)	(20,223)	(21,800)	(26,261)	(17,703)	(609,761)	(746,407)

THE COMPANY

		Number of days past due									
At 30 June 2022	**Not past due**	**<30**	**31 – 60**	**61 – 90**	**91 – 120**	**121 – 150**	**151 – 180**	**181 – 270**	**271 – 360**	**>360**	**Total**
Expected credit loss rate (%)	**0 – 6.0**	**1.0 – 10.0**	**1.0 – 13.0**	**1.0 – 14.67**	**1.0 – 63.14**	**1.0 – 100**	**3.0 – 100**	**5.0 – 100**	**5.0 – 100**	**64.0 – 100**	
Expected total gross carrying amount at default (Rs'000)	**366,935**	**367,087**	**82,538**	**34,040**	**17,822**	**88,335**	**(196)**	**8,952**	**113,809**	**6,301**	**1,085,623**
Lifetime ECL (Rs'000)	**(36,828)**	**(4,999)**	**(204)**	**(576)**	**(888)**	**(1,502)**	**118**	**(8,451)**	**(14,944)**	**(6,301)**	**(74,575)**
At 30 June 2021											
Expected credit loss rate (%)	0.08 – 4.74	0.20 – 8.0	0.39 – 13.16	0.47 – 18.70	0.54 – 34.53	0.82 – 64.78	8.15 – 100	15.56 – 100	36.89 – 100	100	
Expected total gross carrying amount at default (Rs'000)	502,025	196,805	64,689	79,558	102,019	26,835	87,800	4,975	4,108	13,438	1,082,252
Lifetime ECL (Rs'000)	(29,822)	(1,918)	(336)	(1,240)	(993)	(1,483)	(5,238)	(2,425)	(2,284)	(12,800)	(58,539)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The following table details the credit risk exposure of trade receivables based on the Group's and Company's provision matrix at 30 June 2022 and 30 June 2021 per industry groups:

THE GROUP

At 30 June 2022	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected total gross carrying amount at default	**27,000**	**1,201,436**	**2,926,613**	**681,280**	**517,778**	**120,429**	**334,508**	**80,995**	**305,976**	**244,107**	**(1,733,107)**	**4,707,015**
Lifetime ECL	**–**	**(199,786)**	**(382,217)**	**(46,937)**	**(56,543)**	**(16,012)**	**(18,344)**	**(20,153)**	**–**	**(21,346)**	**43,284**	**(718,054)**
At 30 June 2021												
Expected total gross carrying amount at default	–	835,739	2,534,240	686,866	492,991	63,089	280,582	84,898	165,038	214,868	(1,278,639)	4,079,672
Lifetime ECL	–	(128,244)	(391,488)	(55,069)	(177,007)	(97)	(18,891)	(26,084)	–	(8,884)	59,357	(746,407)

THE COMPANY

At 30 June 2022	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Expected total gross carrying amount at default	**–**	**–**	**848,733**	**–**	**–**	**–**	**8,149**	**–**	**–**	**228,741**	**–**	**1,085,623**
Lifetime ECL	**–**	**–**	**(46,928)**	**–**	**–**	**–**	**(6,301)**	**–**	**–**	**(21,346)**	**–**	**(74,575)**
At 30 June 2021												
Expected total gross carrying amount at default	–	–	875,809	–	–	–	7,200	–	–	199,243	–	1,082,252
Lifetime ECL	–	–	(47,321)	–	–	–	(2,334)	–	–	(8,884)	–	(58,539)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

18. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9.

THE GROUP	Collectively assessed	Individually assessed	Total
	Rs'000	Rs'000	Rs'000
At 01 July 2020	456,875	361,834	818,709
Increase/(decrease) in loss allowance	12,326	(85,254)	(72,928)
Acquisition of subsidiaries	123	-	123
Disposal of subsidiary	(2,383)	-	(2,383)
Amounts written off	(13,151)	(7,881)	(21,032)
Amounts recovered during the year	(30)	(5,788)	(5,818)
Net foreign exchange gain	5,873	23,863	29,736
At 30 June 2021	459,633	286,774	746,407
At 01 July 2021	**459,633**	**286,774**	**746,407**
(Decrease)/increase in loss allowance	**(95,852)**	**54,543**	**(41,309)**
Transfer to assets held for sale	**(7,428)**	**-**	**(7,428)**
Acquisition of subsidiaries	**77,402**	**-**	**77,402**
Amounts written off	**(16,631)**	**(13,590)**	**(30,221)**
Amounts recovered during the year	**(1,459)**	**(4,425)**	**(5,884)**
Net foreign exchange loss	**(1,552)**	**(19,361)**	**(20,913)**
At 30 June 2022	**414,113**	**303,941**	**718,054**

THE COMPANY	Collectively assessed	Individually assessed	Total
	Rs'000	Rs'000	Rs'000
At 01 July 2020	99,635	175	99,810
(Decrease)/increase in loss allowance	(50,640)	41,121	(9,519)
Amounts written off	(26,000)	-	(26,000)
Amounts recovered during the year	-	(5,752)	(5,752)
At 30 June 2021	22,995	35,544	58,539
At 01 July 2021	**22,995**	**35,544**	**58,539**
Increase in loss allowance	**4,165**	**11,871**	**16,036**
At 30 June 2022	**27,160**	**47,415**	**74,575**

(b) Other receivables

The Group and the Company have determined lifetime expected credit loss on other receivables based on expected recovery of the related debts. Set out below is the movement in the loss allowance in accordance with IFRS 9:

	THE GROUP	THE COMPANY
	Rs'000	Rs'000
At 01 July 2020	8,725	-
Increase in loss allowance	10,915	16,476
Amounts recovered during the year	(2,270)	-
Foreign exchange losses	94	-
At 30 June 2021	17,464	16,476
At 01 July 2021	**17,464**	**16,476**
Increase in loss allowance	**11,453**	**-**
Amounts recovered during the year	**(18,307)**	**(16,476)**
At 30 June 2022	**10,610**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

19. DIVIDENDS

On 11 November 2021, the Board of Directors declared an interim dividend of Rs 0.15 per share (2021: Rs 0.11 per share) which was paid on 15 December 2021. On 3 June 2022 a final dividend of Rs 0.45 per share (2021: Rs 0.33 per share) was declared and paid on 29 June 2022. The total dividends declared for the year amounted to Rs 408.1 million (2021: Rs 299.3 million). The Company had a dividend payable of Rs 224.4 million at 30 June 2021.

20. (a) STATED CAPITAL

The Group and the Company

Issued and fully paid	2022 Rs'000	2021 Rs'000
At 30 June 2022: 680,224,040 ordinary shares of no par value (2021: 680,224,040 ordinary shares of no par value)	**1,361,941**	1,361,941

Each share confers to its holder the right to vote and a proportional right to dividends and to the distribution of the surplus assets of the Company upon winding up.

(b) RESTRICTED REDEEMABLE SHARES

The Group and the Company

1,510,666,650 Restricted Redeemable Shares (RRS) of no par value amounting to Rs 5 million were in issue on 30 June 2021 and 2022.

Each RRS confers to the holder the right to vote at general meetings and right to participate in a rights issue together with the holders of the ordinary shares. The RRS holders have no right to dividends or distribution of any surplus of the Company in case of winding up. The RRS are redeemable at the option of the Company and at no proceeds.

(c) CONVERTIBLE BONDS

The Group

During the financial year ended 30 June 2021, one of the subsidiaries of the Group, Lux Island Resorts Ltd ("LIR"), has contracted with the Mauritius Investment Corporation Ltd ("MIC"), a wholly owned subsidiary of the Bank of Mauritius to issue redeemable convertible bonds for a total amount of Rs 1 billion comprising of 100 bonds of Rs 10 million each. Subsequently, both parties mutually agreed to an amended financing of Rs 920 million (92 bonds).

One of the main objectives of the MIC is to provide financial support to companies impacted by the COVID-19 pandemic and in particular to the tourism sector which had the worst impact due to the full border closure. The MIC support is in the form of redeemable convertible bonds to companies which required urgent working capital to sustain its viability.

LIR issued 75 (in two tranches of 45 and 30 each) 3% convertible bonds in favour of MIC as at 30 June 2021. The last tranche of Rs 170 million (17 convertible bonds) was subscribed in January 2022.

LIR, through one of its subsidiaries, Merville Limited also signed an agreement with MIC to issue redeemable convertible bonds for a total amount of Rs 700 million comprising of 70 bonds of Rs 10 million each. As at 30 June 2022, only Rs 550 million out of the total amount of Rs 700 million had been subscribed for.

The key terms and conditions of the funding arrangements from the MIC are as follows:

- The maturity date is 9 years from first disbursement of the first tranche of the subscription proceeds.
- The conversion has been predetermined prior to the subscription.
- Interest rates of 3.00 % and 4.00 % p.a. over the duration of the bonds for LIR and Merville Limited respectively (from issue date to the earlier of the redemption date or the conversion date). The interest is payable on the last day of each interest period. On maturity date, any unpaid capital and interest is converted into ordinary shares in accordance with the predetermined conversion price.
- Redemption of the bonds shall be at the option of the issuer. The issuer may redeem some or all the bonds, any time prior to the maturity date.
- All outstanding bonds will be converted into ordinary shares at a pre-agreed formula and price on maturity date.

The conversion price of the convertible bonds has been set at Rs 33.52 and Rs 405.00 for LIR and Merville Limited respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

(a) **Les Villas Du Lagon**

On 29 June 2022, Lux Island Resorts Ltd ("LIR") had an offer from a potential buyer for the acquisition of Les Villas Du Lagon, in Reunion Island. The negotiation is still ongoing for the total proceeds and modus operandi of the transaction. The assets and liabilities retranslated at year end rate were classified as held for sale at 30 June 2022 and no impairment loss was recognised as at date.

(b) **UBP Madagascar**

The Group has the intention to sell its Malagasy subsidiary, UBP Madagascar and had initiated an active programme to locate a buyer as from 01 November 2021. This operation which is expected to be sold within 12 months, has been classified as a disposal group held for sale and presented separately in the statement of financial position. The proceeds from disposal are expected to exceed the carrying amount of the related net assets and accordingly no impairment losses have been recognised on the classification of this operation as held for sale. Results of the operations from date of classification as held for sale were recognised in discontinued operations.

(c) **United Granite Products (Private) Limited ("UGPL")**

In June 2021, United Basalt Products Limited ("UBP") initiated an active programme to locate a buyer following its intention to sell its Sri Lankan subsidiary, UGPL. This operation, which was expected to be sold within 12 months, was classified as a disposal group held for sale and presented separately in the group statement of financial position at 30 June 2021. As a result of the programme initiated, several potential buyers showed their interest, but the deal could not be completed as there was no agreement on the proposed consideration. Moreover, during the one-year period, there were circumstances which were beyond the Group's control and further complicated the negotiations. Management remains committed to their plan to sell UGPL and continues to be classified as a disposal group held for sale and presented separately in the group statement of financial position at 30 June 2022. An impairment loss of Rs 7 million was recognised on the assets during the year under review and presented under discontinued operations together with the results from operations for the year.

(d) **Bare Land in the books of Circle Square Holding Co Ltd ("CSHL")**

CSHL owns bare land at Forbach and the Circle Square Retail Park. As at reporting date, the investment properties of CSHL are classified as held for sale. The investment properties of CSHL, which were held for sale since the past three years, have been partly sold during the reporting year ended 30 June 2021. The sale of 3 plots have been completed and a fourth plot has been sold in August 2021. The three remaining units are expected to be sold in the first quarter of financial year ending 30 June 2023.

(e) **Bare Land in the books of Aquatic Proteins Products Limited ("APPL")**

APPL owns bare land in the state of Kerala in India. On 01 July 2020, the Board of Directors of APPL has decided to discontinue its operations in India and has been looking for a buyer to dispose of the bare land. The bare land was transferred from property, plant & equipment amounting to Rs 145 million to assets held for sale. At the reporting date, the land was valued at the lower of fair value less cost to sell and its carrying value and an impairment loss of Rs 86 million was provided during the year ended 30 June 2021 in view of current market conditions in India. The carrying value of the bare land at the reporting date was Rs 58 million and no further impairment loss was recognised during the year under review. The Company expect to complete the sale during the financial year ended 30 June 2023.

(f) **PL Resort Ltd**

The assets and liabilities were classified as held for sale during the financial year ended 30 June 2021 as a binding offer was signed since April 2021 with an external foreign third party. The sale was concluded in March 2022. The results up to date of disposal were recognised in discontinued operations.

(g) **Manser Saxon Dubai LLC ("MSD")**

MSD was classified as a discontinued operation during the year ended 30 June 2020 and 30 June 2021. The assets were disposed during the year ended 30 June 2022 with all proceeds used to settle debts of the company. MSD was deconsolidated as a subsidiary on 01 July 2021 following winding of the company.

(h) **SALT Hospitality Ltd ("SHL")**

SHL entered into a voluntary administration in February 2021. Consequently, the Group lost control over the activities of SHL. The Group has accounted for the results of SHL under discontinued operations, recognised liabilities and guarantees given on behalf of SHL and have deconsolidated the statement of financial position of SHL when control was lost.

During the year, the Company exited from the voluntary administration, as explained in Note 38(a), and the restructured SALT Hospitality Ltd was consolidated effective as from 05 January 2022.

(i) **Reefer Operations (BVI) Limited ("ROLBVI")**

On 01 July 2020, the Board of Directors of ROLBVI decided to cease its operations and decided to dispose of its shipping vessel amounting to Rs 188 million. The sale was concluded in December 2020 and ROLBVI is in the process of winding up. The results for the year ended 30 June 2021 were presented under discontinued operations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(j) **Hotel Le Récif SAS**

On 1 August 2020, LIR had finalised the sale of Hotel Le Récif SAS, in Reunion Island for a total proceeds of EUR 9 million, payable as follows:

- EUR 7 million payable on date of signature
- EUR 1 million payable 4 years after date of signature
- EUR 1 million contingent upon Hotel Le Récif SAS achieving a target EBITDA

The amount of EUR 7 million as per the deed of sale has already been paid. There was no impairment of the assets of Hotel Le Récif SAS as the disposal proceeds exceed the fair value of the net assets.

The effective date of the disposal was 01 July 2020 where the net asset value of the subsidiary after netting off of intercompany transactions was Rs 264.5 million.

As per the deed of sale of Hotel Le Récif SAS, an amount of EUR 1 million (Rs 45.9 million) is receivable 4 years after effective date of transfer and this is included in non current receivables. Cash proceeds upon disposal of Hotel Le Récif SAS was Rs 231.1 million.

The assets and liabilities classified as held for sale in relation to the Group are as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Assets		
Property, plant and equipment (Note (i))	**554,318**	466,540
Investment property (Note (ii))	**31,055**	109,219
Intangible assets (Note (iii))	**1,123**	211
Right of use assets (Note (iv))	**28,519**	79,389
Deferred tax asset	**-**	11,519
Inventories	**41,071**	14,086
Trade and other receivables	**49,650**	13,028
Cash and cash equivalents	**122,820**	144,527
Assets classified as held for sale	**828,556**	838,519
Liabilities		
Borrowings	**147,608**	354,786
Retirement benefit obligations (Note (v))	**14,446**	1,411
Current tax liabilities	**870**	-
Lease liabilities	**39,739**	-
Trade and other payables	**251,918**	17,002
Liabilities associated with assets classified as held for sale	**454,581**	373,199

The results for the years ended 30 June 2021 and 30 June 2022 for the assets classified as held for sale are disclosed below. The comparative figures have been reclassified in accordance with IFRS 5.

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Revenue	**189,183**	200,343
Cost of sales	**(139,787)**	(155,547)
Gross profit	**49,396**	44,796
Other income	**52,532**	50,729
Administrative expenses	**(97,789)**	(277,876)
Operating profit/(loss)	**4,139**	(182,351)
Finance costs	**(11,747)**	(34,694)
Other gains and losses	**30,731**	71,235
Profit/(loss) before tax	**23,123**	(145,810)
Tax expense	**-**	14,509
Profit/(loss) for the year from discontinued operations	**23,123**	(131,301)
Attributable to:		
· Owners of the Company	**14,769**	(151,953)
· Non-controlling interests	**8,354**	20,652
	23,123	(131,301)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

21. ASSETS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

Movement in the assets during the year ended 30 June 2022:

		THE GROUP
		2022
		Rs'000
(i)	Property, plant and equipment	
	Carrying amount at 01 July	**466,540**
	Additions	**1,210**
	Impairment of assets	**(7,414)**
	Depreciation for the year	**(5,854)**
	Disposal of subsidiary (Note 38(b))	**(363,612)**
	Disposal of assets	**(1,600)**
	Transfer from property, plant and equipment (Note 4)	**476,751**
	Translation differences	**(11,703)**
	Carrying amount at 30 June	**554,318**
(ii)	Investment property	
	Carrying amount at 01 July	**109,219**
	Disposal of assets	**(78,164)**
	Carrying amount at 30 June	**31,055**
(iii)	Intangible assets	
	Carrying amount at 01 July	**211**
	Transfer from intangible assets (Note 6)	**1,123**
	Amortisation for the year	**(137)**
	Disposal of subsidiaries (Note 38(b))	**(74)**
	Carrying amount at 30 June	**1,123**
(iv)	Right of use assets	
	Carrying amount at 01 July	**79,389**
	Depreciation charge for the year	**(996)**
	Disposal of subsidiary (Note 38(b))	**(78,393)**
	Transfer from right of use assets (Note 16)	**28,519**
	Carrying amount at 30 June	**28,519**
(v)	Retirement benefit obligations	
	Carrying amount at 01 July	**1,411**
	Movement for the year – profit	**2,415**
	Disposal of subsidiary (Note 38(b))	**(2,861)**
	Transfer from retirement benefit obligations (Note 24)	**13,481**
	Carrying amount at 30 June	**14,446**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22. BORROWINGS

(a) The borrowings are repayable as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
Within one year	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Secured bank overdrafts	**897,156**	988,477	**6,748**	–
Unsecured bank overdrafts	**2,219,938**	1,387,174	**2,201,632**	1,366,297
Secured bank loans	**1,399,363**	1,954,315	**–**	–
Unsecured borrowings	**66,209**	55,500	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**1,032,345**	36,041	**1,032,345**	31,612
Bonds and notes issued	**1,012,108**	4,331	**1,001,479**	1,232
Borrowings – Current	**6,627,119**	4,425,838	**4,242,204**	1,399,141
After one year and before two years				
Secured bank loans	**1,485,957**	1,642,004	**–**	–
Deposits from customers	**–**	–	**–**	84,594
Unsecured borrowings	**–**	–	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**–**	1,000,000	**–**	1,000,000
Bonds and notes issued	**650,000**	1,000,000	**–**	1,000,000
	2,135,957	3,642,004	**–**	2,084,594
After two years and before five years				
Secured bank loans	**2,837,626**	3,190,526	**–**	–
Unsecured borrowings	**–**	–	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**5,000,000**	3,000,000	**5,000,000**	3,000,000
Bonds and notes issued	**–**	650,000	**–**	–
	7,837,626	6,840,526	**5,000,000**	3,000,000
After five years				
Secured bank loans	**2,569,954**	2,202,513	**–**	–
Unsecured borrowings	**3,413**	3,474	**–**	–
Bonds secured by floating charges (Note (b)(iii))	**3,000,000**	5,000,000	**3,000,000**	5,000,000
Bonds and notes issued	**2,579,000**	2,005,000	**–**	–
	8,152,367	9,210,987	**3,000,000**	5,000,000
Borrowings – Non-current	**18,125,950**	19,693,517	**8,000,000**	10,084,594
Total borrowings	**24,753,069**	24,119,355	**12,242,204**	11,483,735

(b) Details of borrowings facilities:

(i) *Secured bank overdraft and bank loans*

The bank overdrafts and bank loans are secured by fixed and floating charges on the assets of the Group and of the Company.

(ii) *Bank covenants*

During the years ended 30 June 2022 and 2021, there has been no breach of bank covenants by the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22. BORROWINGS (CONTINUED)

(b) Details of borrowings facilities (continued):

(iii) *Bonds issued by the Company*

Multicurrency notes

The Company has set up a multicurrency medium term secured and unsecured note programme of up to an aggregate nominal of Rs 10 billion.

In September 2017, the Company issued the first Series of notes, in 5 tranches for an aggregate nominal amount of Rs 3 billion (in Mauritian Rupees) which are secured by floating charges on the assets of the Company. Tenor period ranges from 2 to 7 years and interest is payable semi-annually at both fixed and floating rates. The notes issued under Tranches 2 to 5 aggregating to Rs 2 billion are listed on the Stock Exchange of Mauritius and the fair value of these notes at 30 June 2022 amounted to Rs 2.01 billion (2021: Rs 1.99 billion).

On 27 September 2019, the Company issued the second Series of notes, in 4 tranches for an aggregate nominal amount of Rs 4 billion which are secured by floating charges on the assets of the Company. Tenor period ranges from 5 to 7 years and interest is payable semi-annually at both fixed and floating rates.

On 17 June 2021, the Company has issued a third Series of notes in 5 tranches for an aggregate nominal amount of Rs 3 billion with tenors ranging from 7 to 15 years. The notes are secured by floating charges on the assets of the Company and were issued under private placement to sophisticated investors. The proceeds of the third issue will be used to refinance the Company's existing short-term debts and for future financing investment.

(iv) The Company has also issued a promissory note of Rs1 billion to a financial institution which is repayable by December 2022.

(v) One of the subsidiaries has agreed to borrow principal amounts of Rs 2 billion and Rs 1 billion against the issue of Company Notes as per the Notes Subscription Agreement dated February and July 2019. The notes are secured by floating charges on the subsidiary's assets and the principal is payable after 12 years from the subscription date. At 30 June 2022, the outstanding balance was Rs 2.3 billion.

(vi) One of the subsidiaries has taken a long term secured Promissory Note amounting to Rs 650 million. The notes are secured by a floating charge on the subsidiary's assets and are repayable in October 2023.

(vii) One of the subsidiaries has issued convertible redeemable bonds amounting to Rs 300 million in July 2021 as follows:

- 506 unsecured and 106 secured bonds issued to the shareholder of the subsidiary
- 5,318 secured bonds issued to a sophisticated investor by way of a private placement
- 5 unsecured and 5 secured bonds listed on the Stock Exchange of Mauritius
- The bonds will constitute unsecured obligations of the issuer and will subordinated to secured creditors. IBL Ltd has provided a corporate guarantee in favour of the secured bondholders to secure the repayment of the nominal amount only.

The bonds are convertible at the option of the bondholders as from the 5th anniversary and unconverted bonds will be payable on 4 July 2028.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22. BORROWINGS (CONTINUED)

(c) The effective interest rate on borrowings are as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
Secured borrowings	**1.45% - 7.75%**	3.00% - 7.70%	**4.50%**	4.50%
	PLR + (0.53% - 7.14%)	PLR + (6.10% - 7.30%)	**-**	-
	LIBOR + (1.25% - 5.00%)	LIBOR + (2.00% - 4.00%)	**-**	-
	EURIBOR + (1.30% - 4.50%)	EURIBOR + (1.22% - 4.50%)	**-**	-
	PLR - (1.00% - 4.95%)	PLR - (0.25% - 1.3%)	**-**	-
Unsecured borrowings	**3.25% - 7.00%**	3.40% - 7.00%	**2.00% - 4.95%**	4.00% - 6.85%
	PLR + (0.25% - 5.00%)	EURIBOR + 2.05%	**-**	-
	-	LIBOR + 2.50%	**-**	-
Bonds and Notes	**4.00% - 7.50%**	4.00% - 5.50%	**4.00% - 5.50%**	4.00% - 5.50%
	Repo + (0.75% - 2.05%)	Repo + (0.75% - 2.05%)	**Repo + (0.75% - 2.05%)**	Repo + (0.75% - 2.05%)

(d) Interest Rate Benchmark Reform - Phase 2

Benchmark interest rates such as the London Inter-Bank Offered Rates (LIBOR) and other inter-bank offered rates have been prioritised for reform and replacement with Risk Free Rates (RFR) by global regulators.

The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the inter-bank offered rate (IBOR) reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the Group and the Company are exposed to and how the Group and the Company manage those risks as well as the Group's and the Company's progress in transitioning from IBORs to alternative benchmark rates. The adoption of the amendments had no material impact on the Group's and the Company's in prior periods and are not expected to significantly affect the current and future periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22. BORROWINGS (CONTINUED)

(e) Reconciliation of liabilities arising from financing activities

The table details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in cash flows from financing activities in the statement of cash flows. In accordance with the transitional guidance, no comparatives have been presented.

THE GROUP

			Non-cash changes							
	At 01 July	Financing cash flows	Acquisition of subsidiaries	Disposal of subsidiaries	Cash flow hedge	New leases	Exchange differences	Held for sale	Others	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000 (Note (i))	Rs'000	Rs'000	Rs'000	Rs'000 (Note (ii))	Rs'000
2022										
Bank loans	**8,989,358**	**(366,261)**	**-**	**-**	**(310,882)**	**-**	**104,674**	**(123,989)**	**-**	**8,292,900**
Other borrowings	**58,973**	**(3,543)**	**14,277**	**-**	**-**	**-**	**(172)**	**-**	**87**	**69,622**
Bonds and notes	**12,695,372**	**533,628**	**-**	**-**	**-**	**-**	**-**	**-**	**44,453**	**13,273,453**
Lease liabilities	**4,586,594**	**(575,243)**	**391,787**	**-**	**-**	**284,506**	**(31,780)**	**(39,739)**	**-**	**4,616,125**
	26,330,297	**(411,419)**	**406,064**	**-**	**(310,882)**	**284,506**	**72,722**	**(163,728)**	**44,540**	**26,252,100**
2021										
Bank loans	7,735,411	802,825	-	(75,851)	351,605	-	146,911	16,039	12,418	8,989,358
Other borrowings	244,329	(42,487)	-	-	-	-	1,439	(162,925)	18,617	58,973
Bonds and notes	9,946,196	2,706,973	-	-	-	-	1,835	-	40,368	12,695,372
Lease liabilities	4,653,470	(430,150)	4,371	(309,236)	-	188,733	479,406	-	-	4,586,594
	22,579,406	3,037,161	4,371	(385,087)	351,605	188,733	629,591	(146,886)	71,403	26,330,297

THE COMPANY

			Non-cash changes		
	At 01 July	Financing cash flows	New leases	Others	At 30 June
	Rs'000	Rs'000	Rs'000	Rs'000 (Note (ii))	Rs'000
2022					
Other borrowings	**84,594**	**(84,594)**	**-**	**-**	**-**
Bonds and notes	**10,032,844**	**-**	**-**	**980**	**10,033,824**
Lease liabilities	**76,883**	**(26,374)**	**14,039**	**3,623**	**68,171**
	10,194,321	**(110,968)**	**14,039**	**4,603**	**10,101,995**
2021					
Other borrowings	-	84,594	-	-	84,594
Bonds and notes	7,368,032	2,624,243	-	40,569	10,032,844
Lease liabilities	66,292	(21,613)	32,204	-	76,883
	7,434,324	2,687,224	32,204	40,569	10,194,321

(i) Cash flow hedge reserve is used to record the exchange differences arising on the EUR, GBP and USD loans taken by the Group. The hedging of those loans are done with the inflows of revenue by the Group in the same currency. The movement for the year is in respect of exchange difference on conversion of loan in USD, GBP and EUR at year end rate. Upon annual repayment of long term borrowings the portion of hedge realised is released to profit or loss.

(ii) Others include non-cash transactions such as interests accrued but not yet paid on interest-bearing loans and borrowings. The Group classifies interests paid as cash flows from operating activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

23. OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Long term incentive scheme (Note (a))	**155,420**	164,945	**100,335**	102,275
Other payables (Note (b))	**25,396**	-	**11,273**	-
	180,816	164,945	**111,608**	102,275
Analysed as follows:				
Current	**45,047**	29,979	**27,515**	20,809
Non-current	**135,769**	134,966	**84,093**	81,466
	180,816	164,945	**111,608**	102,275

(a) IBL Ltd has implemented a Long Term Incentive scheme (LTI) as from 01 July 2017 which provides an opportunity for executives of IBL Ltd and certain subsidiaries to participate in the creation of value within the IBL Group.

The LTI is a Phantom Share Award Scheme whereby executives are entitled to future cash payments based on the increase in share price of IBL Ltd from a specified level over a specified period of time. Allocations to eligible executives may be made once a year on 01 July.

The LTI payment shall be made to participants who remain employees in Good Standing of IBL Ltd or relevant subsidiaries on the exercise date, and based on IBL Ltd shares vested and the Exercise Price.

The vesting periods for payments to be made under the scheme are based on a percentage of phantom shares allocated and start at the end of the third year from the allocation date up to the fifth year.

Under IFRS 2, for cash-settled share-based payment transactions, the fair value of liability for the awards made is remeasured at reporting date and at the settlement date. The fair value is recognised over the vesting period and is based on the closing share price of IBL Ltd as published on the Stock Exchange of Mauritius at each reporting date. The amount recognised takes into account the best available estimate of the number of phantom shares to vest under the service and the performance conditions.

(b) Other payables comprise a provision for severance costs for which the benefits will be settled monthly up to June 2031.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Amounts recognised in the statements of financial position:				
Defined benefit plans (Note (i))	**1,302,174**	1,217,056	**734,351**	627,125
Other retirement benefits (Note (ii))	**941,666**	877,040	**99,912**	102,721
	2,243,840	2,094,096	**834,263**	729,846
Defined benefit plan allocated to related companies	**(8,173)**	(6,798)	**(250,400)**	(231,583)

THE GROUP AND THE COMPANY

(i) **Defined benefit plan**

Pension plans

The Company and its subsidiaries provide final salary defined benefit (DB) plans to some of their employees, and the plans operate under the IBL Pension Fund Scheme ('Fund') which is in existence since 01 July 2002. The plans provide for a pension at retirement and a benefit on death or disablement in service before retirement. The plans are wholly funded. The Fund is managed by Pension Consultants and Administrators Ltd. These entities are participating employers of the Fund that allows them to pool their assets for investment purposes (group administration plans).

Moreover, some of the employees of the Group who were previously under the defined benefit plans were transferred to the defined contribution plans in prior years. These employees have a No Worse Off Guarantee (NWOG) whereby at retirement, their pension benefits will not be less than what would have been payable under the previous DB plans. An employee forgoes this guarantee if he leaves before normal retirement age. The NWOG is unfunded.

The Company's pension plan shares risks between some of its subsidiaries (group plan) while the Company remains the legal sponsoring employer of the plan. The Company and these subsidiaries are party to contractual agreements whereby each subsidiary bears a proportion of the retirement benefit obligations for its employees (both active employees and pensioners) who are part of the group plan. The liabilities recharged by the Company are presented in non-current assets under 'Retirement benefit obligations allocated to related parties'.

The most recent actuarial valuation of the pension plans were carried out at 30 June 2022 by Swan Life Ltd.

The pension plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Longevity risk — The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. If the experience of the pension plan is less favorable than the standard mortality tables, the liability will increase.

Interest rate risk - If bond yields decline, the liability would be calculated using a lower discount rate and would therefore increase.

Investment risk - The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

Salary risk - If salary increases are higher than anticipated in the assumptions, the liabilities would increase giving rise to actuarial losses.

There has been no plan amendment, curtailment or settlement during the year.

The Company has assessed forExpected Credit Losses (ECL) on the employee benefit assets and ECL are deemed to be insignificant.

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Amounts recognised in the statements of financial position:				
Present value of funded obligation	**3,549,787**	3,513,962	**1,841,729**	1,796,784
Present value of unfunded obligation	**106,791**	-	**9,941**	-
Fair value of plan assets	**(2,354,404)**	(2,296,906)	**(1,117,319)**	(1,169,659)
Liability recognised in the statements of financial position	**1,302,174**	1,217,056	**734,351**	627,125
DB plan allocated to related companies	**(8,173)**	(6,798)	**(250,400)**	(231,583)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) **Defined benefit plan (Continued)**

Movement in the liabilities recognised in the statements of financial position:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
At 01 July	**1,217,056**	2,219,591	**627,125**	1,099,575
Amount recognised in profit or loss	**125,606**	162,960	**53,691**	66,066
Amount recognised in other comprehensive income	**100,809**	(932,371)	**153,645**	(386,782)
Acquisition of subsidiaries (Note 38(a))	**21,321**	-	**-**	-
Contributions and direct benefit paid	**(162,618)**	(233,124)	**(100,110)**	(151,734)
At 30 June	**1,302,174**	1,217,056	**734,351**	627,125

Amounts recognised in:

- Statements of profit or loss:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Current service cost	**76,035**	98,424	**28,816**	36,987
Net interest cost	**49,571**	64,536	**24,875**	29,079
	125,606	162,960	**53,691**	66,066
Allocated to related companies	**(600)**	325	**(20,008)**	24,400
Components of amount recognised in profit or loss	**125,006**	163,285	**33,683**	90,466
- Statements of other comprehensive income:				
Return on plan assets (excluding amounts included in net interest expense)	**58,416**	(197,528)	**76,978**	(71,929)
Actuarial loss/(gain) arising from changes in financial assumptions	**31,334**	(635,425)	**45,402**	(304,437)
Actuarial loss/(gain) arising from experience adjustments	**11,059**	(99,418)	**31,265**	(10,416)
	100,809	(932,371)	**153,645**	(386,782)
Allocated to related companies	**(2,002)**	4,201	**(51,023)**	181,529
Components of amount recognised in other comprehensive income	**98,807**	(928,170)	**102,622**	(205,253)
Total	**223,813**	(764,885)	**136,305**	(114,787)

Movement in the present value of the defined benefit obligations were as follows:

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
At 01 July	**3,513,962**	4,189,764	**1,796,784**	2,110,177
Current service cost	**66,540**	79,863	**22,413**	34,614
Interest cost	**150,989**	123,481	**74,001**	58,305
Benefits paid	**(201,514)**	(169,552)	**(118,195)**	(91,459)
Actuarial loss/(gain) arising from experience adjustments	**11,059**	(99,418)	**31,265**	(10,416)
Actuarial loss/(gain) arising from changes in financial assumptions	**23,450**	(635,425)	**45,402**	(304,437)
Transfer of liabilities to Annuity Fund	**48,156**	25,637	**-**	-
Acquisition of subsidiaries	**43,834**	-	**-**	-
Employee's contribution	**102**	(388)	**-**	-
At 30 June	**3,656,578**	3,513,962	**1,851,670**	1,796,784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) Defined benefit plan (Continued)

Movements in the fair value of the plan assets were as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 July	**2,296,906**	1,970,173	**1,169,659**	1,010,602
Interest income	**101,418**	58,945	**49,126**	29,226
Current service cost	**–**	(14,277)	**–**	–
Transfer from member account to Annuity Fund	**48,156**	–	**–**	–
Acquisition of subsidiaries	**22,513**	–	**–**	–
Actuarial (gain)/loss arising from changes in financial assumptions	**(7,884)**	–	**–**	–
Return on plan assets excluding interest income	**(58,416)**	197,528	**(76,978)**	71,929
Employer's contribution	**162,618**	232,735	**100,110**	151,734
Employee's contribution	**102**	–	**–**	–
Scheme expenses	**(6,113)**	(1,009)	**(4,457)**	28
Cost of insuring risk benefits	**(3,382)**	(3,275)	**(1,946)**	(2,401)
Transfer from defined contribution reserve account	**–**	25,638	**–**	–
Benefits paid	**(201,514)**	(169,552)	**(118,195)**	(91,459)
At 30 June	**2,354,404**	2,296,906	**1,117,319**	1,169,659

The fair value of the plan assets at the end of the reporting period for each category are as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Cash and cash equivalents	**219,032**	345,887	**138,857**	231,115
Equity investments categorised by industry type:				
– Local	**633,890**	718,407	**375,739**	254,620
– Foreign	**657,896**	559,052	**390,952**	377,008
Fixed interest instruments	**791,910**	665,993	**211,771**	306,916
Properties	**51,676**	7,567	**–**	–
Total market value of assets	**2,354,404**	2,296,906	**1,117,319**	1,169,659
Actual return on plan assets	**43,002**	256,473	**153,645**	101,155

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(i) Defined benefit plan (Continued)

The principal actuarial assumptions used for accounting purposes are:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Discount rate	**3.2% – 5.2%**	3.1% – 5.8%	**4.8%**	4.2%
Future long term salary increase	**1.9%**	2.0%	**1.0%**	2.0%
Future pension increase	**0%**	0%	**1%**	0%
Average retirement age (ARA)	**60 – 65 years**	60 – 65 years	**60 years**	60 years

Sensitivity analysis on defined benefit obligations at end of the reporting date:

The sensitivity analysis below has been carried out by recalculating the present value of obligation at the year end after increasing or decreasing the actuarial assumptions below while leaving all other assumptions unchanged. The sensitivity analysis presented may not be representative of the actual change in the defined benefit liability as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Increase in defined benefit obligation due to 1% decrease in discount rate	**556,150**	620,446	**252,116**	306,163
Decrease in defined benefit obligation due to 1% increase in discount rate	**475,120**	511,448	**208,900**	250,451
Increase in defined benefit obligation due to 1% increase in salary	**140,098**	161,285	**43,309**	60,733
Decrease in defined benefit obligation due to 1% decrease in salary	**133,380**	151,975	**40,038**	55,541

Future cash flows:

The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

The Group and the Company expects to make a contribution of Rs 66.2 million to the defined benefit plan during the year ending 30 June 2022 (2021: Rs 127.5 million).

The average duration of the defined benefit obligation at 30 June 2022 was between 9 and 22 years (2021: 9 and 23 years).

(ii) Other retirement benefits

Retirement benefit obligations are recognised for employees who are entitled to Retirement Gratuities payable under The Workers' Rights Act 2019. The latter provides for a lump sum at retirement based on final salary and years of service as follows:

- For employees who are members of the IBL Pension Fund (IBLPF) and who are insufficiently covered under the pension plans, half of any lump sum and 5 years of pension (relating to Employer's share of contributions only) payable from the pension fund have been offset from the retirement gratuities.
- Prior to implementation of the Portable Retirement Gratuity Fund (PRGF), the benefits payable to employees who are not part of any pension plans, were unfunded as at 31 December 2019. With the implementation of PRGF, these employees who resign as from 2020, are eligible for a portable gratuity benefit based on service with the employer as from 1 January 2020 and remuneration at exit (same benefit formula as for retirement/death gratuity). As from January 2022, the Company has started to contribute to PRGF for these employees.

The most recent actuarial valuation of the retirement gratuities and other retirement benefit liabilities were carried out at 30 June 2022 by Swan Life Ltd.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ii) Other retirement benefits (Continued)

The Company is exposed to the following actuarial risks:

Interest rate risk: If bond yields decline, the liabilities would be calculated using a lower discount rate and would therefore increase.

Salary risk: If salary increases are higher than anticipated in the assumptions used, the liabilities would increase giving rise to actuarial losses.

Longevity risk: Employees living longer than expected will expose the Company to the risk that more employees make it to the retirement to claim their benefits thereby increasing the liabilities.

There has been no plan amendment, curtailment or settlement during the year.

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Retirement gratuities under The Workers' Rights Act 2019	**941,666**	877,040	**99,912**	102,721

Movement in liability recognised in financial position:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 July	**877,040**	992,188	**102,721**	103,085
Acquisition of subsidiaries (Note 38(a))	**7,598**	4,090	**–**	–
Disposal of subsidiaries (Note 38(b))	**–**	(3,708)	**–**	–
Transfers	**502**	–	**85**	–
Amount recognised in profit or loss	**101,972**	112,762	**10,804**	10,064
Amount recognised in other comprehensive income	**28,738**	(182,700)	**(11,609)**	(2,513)
Translation difference	**(1,627)**	305	**–**	–
Transfer to liabilities associated with assets classified as held for sale (Note 21)	**(13,481)**	–	**–**	–
Benefits paid	**(59,076)**	(45,897)	**(2,089)**	(7,915)
At 30 June	**941,666**	877,040	**99,912**	102,721

Amounts recognised in the statement of comprehensive income:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Current service cost	**63,880**	84,476	**6,170**	7,256
Past service cost	**820**	4,813	**–**	–
Settlement cost	**(148)**	(23)	**–**	–
Net interest cost	**37,420**	23,496	**4,634**	2,808
Components of amount recognised in profit or loss	**101,972**	112,762	**10,804**	10,064
Remeasurement of the net defined benefit liability:				
Actuarial (gain)/loss arising from experience adjustments	**(4,589)**	(25,818)	**(24,929)**	8,626
Actuarial loss/(gain) arising from changes in financial assumptions	**33,327**	(156,882)	**13,320**	(11,139)
Components of amount recognised in other comprehensive income	**28,738**	(182,700)	**(11,609)**	(2,513)
At 30 June	**130,710**	(69,938)	**(805)**	7,551

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(ii) Other retirement benefits (Continued)

Movements in the present value of the defined benefit obligations in the current year were as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
At 01 July	**877,040**	992,188	**102,721**	103,085
Acquisition of subsidiaries (Note 38(a))	**7,598**	4,090	**–**	–
Transfer to liabilities associated with assets classified as held for sale (Note 21)	**(13,481)**	–	**–**	–
Transfer to subsidiaries	**502**	–	**85**	–
Current service cost	**63,880**	84,476	**6,170**	7,256
Settlement cost	**(148)**	(23)	**–**	–
Interest cost	**37,420**	23,496	**4,634**	2,808
Past service cost	**820**	4,813	**–**	–
Actuarial (gain)/loss arising from experience adjustments	**(4,589)**	(25,818)	**(24,929)**	8,626
Actuarial loss/(gain) arising from changes in financial assumptions	**33,327**	(156,882)	**13,320**	(11,139)
Benefits paid	**(59,076)**	(45,897)	**(2,089)**	(7,915)
Disposal of subsidiary	**–**	(3,708)	**–**	–
Translation difference	**(1,627)**	305	**–**	–
At 30 June	**941,666**	877,040	**99,912**	102,721

The principal actuarial assumptions used for accounting purposes are:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
Discount rate	**2.4% – 5.8%**	3.1% – 6.1%	**4.1%**	4.8%
Future long term salary increase	**2.6%**	2.0%	**3.0%**	2.0%

Sensitivity analysis on defined benefit obligations at end of the reporting date:

The sensitivity analysis below has been carried out by recalculating the present value of obligation at the year end after increasing or decreasing the actuarial assumptions below while leaving all other assumptions unchanged. The sensitivity analysis presented may not be representative of the actual change in the defined benefit liability as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Increase in defined benefit obligation due to 1% decrease in discount rate	**122,069**	146,656	**16,752**	19,659
Decrease in defined benefit obligation due to 1% increase in discount rate	**122,642**	111,451	**14,242**	16,599
Increase in defined benefit obligation due to 1% increase in salary	**142,627**	145,757	**16,479**	17,729
Decrease in defined benefit obligation due to 1% decrease in salary	**110,569**	114,533	**14,176**	15,179

Future cash flows:

The funding policy is to pay benefits out of the reporting entity's cashflow as and when due.

The average duration of the defined benefit obligation at 30 June 2022 was between 9 and 22 years (2021: 9 and 23 years).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

24. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(iii) Defined contribution plans

As from 01 July 1999, the defined benefit plans have been closed to new entrants and all new entrants of the Company joined a defined contribution plan operated by the Fund.

The subsidiaries as well provide defined contribution plans to some of their employees under the Fund.

	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
Contributions for the defined contribution plans (Note 28 (a) (i))	**104,405**	188,835	**38,265**	23,791

(iv) State pension plan

	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
National Pension Scheme contribution expensed (Note 28 (a) (i))	**67,974**	102,887	**30,483**	15,565

25. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Trade payables	**4,386,215**	3,523,213	**675,018**	534,782
Other payables	**2,752,707**	2,649,406	**463,038**	281,078
Amounts payable to related companies	**65,931**	81,241	**249,433**	116,525
COVID-19 levy payable	**4,506**	55,688	**-**	-
Accruals	**2,045,552**	1,542,005	**291,525**	303,428
Provision for financial guarantees	**1,893**	125,310	**1,893**	40,000
Dividend payable to non-controlling interests	**232,009**	96,340	**-**	-
	9,488,813	8,073,203	**1,680,907**	1,275,813

The trade payables and amounts due to related companies are unsecured, interest free and the average credit period is 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Other payables and accruals comprise provisions for payroll related costs, amounts payable to contractors, deposits from tenants, director fees, professional fees, project cost fees, and other accruals made in the normal course of business.

The COVID-19 levy payable relates to COVID-19 levy which is an obligatory event arising upon the making of taxable profit. The COVID-19 levy is only applicable if an entity applied for the wage assistance scheme. The levy is payable to the Mauritius Revenue Authority if the entities are profitable in the next year of assessment.

Provision for financial guarantee contracts

SALT Hospitality Ltd ("SHL") entered into a voluntary administration in February 2021. A financial guarantee provision has been provided in respect of SHL for corporate guarantees given to banks and creditors. The provision for financial guarantees are with financial institutions having credit risk ratings of Baa3 as per Moody's credit ratings.

In the current financial year, SHL came out of the voluntary administration and was re-acquired by The Lux Collective Ltd. The provision for financial guarantees amounting to Rs 40m booked in 2021 has therefore been reversed.

The Company has provided for credit losses on financial guarantee contracts in relation to corporate guarantees granted to its subsidiaries. The ECL is based on proxy credit ratings of the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

26. TAXATION

Income tax is calculated at the rate of 15% (2021: 15%) on the profit for the year as adjusted for income tax purposes.

The Company is required to set up a Corporate Social Responsibility ("CSR") fund equivalent to 2% of its chargeable income of the preceeding year to implement a CSR programme in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General at the time of submission of the income tax return of the year under review.

(a) Income tax - statements of financial position

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	2022 Rs'000	2021 Rs'000
At 01 July	**(11,443)**	(38,632)	**(2,000)**	(4,965)
Acquisition of subsidiaries (Note 38(a))	**(2,483)**	5,642	**-**	-
Under/(over) provision in income tax in previous years	**35,173**	(1,496)	**5,282**	4,078
Provision for the year	**338,937**	204,945	**-**	-
Tax paid	**(209,095)**	(203,014)	**-**	(570)
Tax refunded	**43,511**	40,521	**3,838**	3,225
Provision for contribution CSR	**33,608**	30,018	**-**	511
CSR paid during the year	**(11,903)**	(10,222)	**-**	(476)
Tax deducted at source	**(45,411)**	(48,072)	**(3,782)**	(3,803)
Transfer to assets classified as held-for-sale (Note 21)	**(870)**	-	**-**	-
Translation difference	**(286)**	6,481	**-**	-
Other movements	**3,090**	2,386	**(5,282)**	-
At 30 June	**172,828**	(11,443)	**(1,944)**	(2,000)
Tax assets	**(53,725)**	(70,467)	**(4,136)**	(2,000)
Tax liabilities	**226,553**	59,024	**2,192**	-
	172,828	(11,443)	**(1,944)**	(2,000)

(b) Income tax - statements of profit or loss

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Provision for the year - continuing operations	**338,937**	202,870	**-**	-
Exchange difference	**-**	(5,042)	**-**	-
Under/(over) provision in income tax in previous years	**35,173**	(41,094)	**5,282**	37,947
Deferred tax movement (Note 7)	**328,648**	(62,366)	**6,529**	(6,483)
Provision for contribution CSR	**33,608**	30,018	**-**	511
Tax expense for the year	**736,366**	124,386	**11,811**	31,975
Attributable to:				
- Continuing operations	**736,366**	138,895	**11,811**	31,975
- Discontinued operations (Note 21)	**-**	(14,509)	**-**	-
	736,366	124,386	**11,811**	31,975

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

26. TAXATION (CONTINUED)

(c) The total charge for the year can be reconciled to the accounting profit as follows:

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Profit before tax from continuing operations	**2,678,060**	367,608	**256,122**	43,055
Profit/(loss) before tax from discontinued operations (Note 21)	**23,123**	(145,810)	**–**	–
	2,701,183	221,798	**256,122**	43,055
Tax calculated at a rate of 17% (2021: 17%)	**459,201**	37,706	**43,541**	7,319
Adjustments for:-				
Non-deductible expenses	**387,239**	248,125	**102,266**	99,901
Exempt income	**(99,698)**	(65,807)	**(140,370)**	(114,784)
Tax losses utilised	**18,682**	33,619	**–**	–
Tax rate differential	**(27,893)**	(55,006)	**–**	–
Under/(over) provision of deferred tax in previous years	**8,057**	13,846	**–**	33,870
Under/(over) provision in income tax in previous years	**35,173**	(26,584)	**5,282**	4,077
Share of results of associates and joint ventures	**(123,824)**	(125,510)	**–**	–
Depreciation of assets not qualifying for capital allowances	**137**	1,744	**1,092**	1,081
Deferred tax not recognised	**80,106**	60,818	**–**	–
CSR adjustment	**(2,428)**	7,938	**–**	511
Others	**1,614**	(6,503)	**–**	–
Tax expense	**736,366**	124,386	**11,811**	31,975

(d) Tax losses

	THE GROUP	THE COMPANY
	Rs'000	**Rs'000**
Loss in respect of capital allowances acquired after 30 June 2006 - to be carried forward indefinitely	**348,163**	**8,890**
Assuming no future tax loss, the losses shall be extinguished as follows:		
30 June 2023	**18,451**	**–**
30 June 2024	**46,943**	**–**
30 June 2025	**172,190**	**–**
30 June 2026	**69,978**	**–**
30 June 2027	**700,659**	**–**
	1,356,384	**8,890**

27. GOVERNMENT GRANTS

	2022	2021
THE GROUP	**Rs'000**	Rs'000
At 01 July	**42,510**	46,792
Additions	**49,434**	–
Release against depreciation charge	**(21,890)**	(4,801)
Exchange differences	**(4,678)**	519
Transfer to asset held for sale	**(1,733)**	–
At 30 June	**63,643**	42,510
Non-current	**51,480**	29,864
Current	**12,163**	12,646
	63,643	42,510

The grants are in respect of capital grants received by one of the subsidiaries following their capital expenditure incurred on building improvements and some plant and machinery and have been accounted under the income approach. The grants will be released to profit and loss and offset against the depreciation charge over the useful life of the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

28. OPERATING PROFIT

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
(a) Operating profit is arrived at after charging the following main items:	**Rs'000**	(Restated) Rs'000	**Rs'000**	Rs'000
Continuing operations				
Depreciation on property, plant and equipment	**1,759,915**	1,616,020	**43,301**	62,335
Depreciation on right of use assets	**580,944**	576,445	**24,528**	22,716
Amortisation of intangible assets	**95,081**	92,023	**9,722**	14,138
Cost of inventories recognised as expense	**18,599,880**	22,315,391	**4,312,451**	3,768,190
Selling and distribution expenses	**315,538**	261,433	**69,914**	2,225
Excise and specific duties	**2,648,810**	2,461,226	**–**	–
Staff costs (Note (i))	**5,785,540**	5,372,516	**851,322**	746,691
Termination benefits	**9,908**	41,675	**4,911**	7,717
Entertainment and passage benefits	**35,901**	21,250	**11,503**	2,156
Advertising and promotional expenses	**328,683**	147,423	**4,558**	2,303
Repairs and maintenance	**200,141**	189,062	**4,885**	3,169
Motor vehicle expenses	**183,449**	231,013	**23,507**	24,175
Loss on exchange	**139,140**	132,861	**(18,980)**	15,775
Termination of leases	**3,843**	–	**–**	–
Assets written off	**124,557**	15,649	**2,538**	4,347
Discontinued operations				
Depreciation on property, plant and equipment (included in Note 4)	**6,183**	11,482	**–**	–
Amortisation of intangible assets	**–**	109	**–**	–
Staff costs	**–**	8,092	**–**	–
Depreciation on right of use assets	**–**	1,802	**–**	–

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
(i) The following are included in staff costs:				
Post employment benefits (Note 24):				
Defined benefit plans	**226,978**	276,047	**44,487**	100,530
Defined contribution plans	**104,405**	188,835	**38,265**	23,791
State pension plan	**67,974**	102,887	**30,483**	15,565
	399,357	567,769	**113,235**	139,886

(b) **Expected credit losses**

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Allowance for credit losses on trade and other receivables	**29,856**	62,013	**(16,036)**	(6,957)
Allowance for credit losses on contract assets	**(5,670)**	(1,502)	**–**	–
Allowance for credit losses on non-current loan receivables	**96,276**	(94,426)	**49,406**	(7,195)
Allowance for credit losses on financial guarantees in other payables	**123,417**	(125,310)	**38,107**	(40,000)
Allowance for credit losses on other financial assets	**3,839**	–	**–**	–
	247,718	(159,225)	**71,477**	(54,152)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

29. REVENUE

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Revenue from contracts with customers (Note (a))	**43,438,063**	34,382,780	**5,442,503**	4,765,899
Gross insurance premiums	**1,614,142**	1,487,302	**–**	–
Rental income	**87,992**	120,377	**2,964**	2,059
Dividend income	**26,134**	6,020	**825,709**	725,400
Total revenue	**45,166,331**	35,996,479	**6,271,176**	5,493,358
Attributable to :				
– Continuing operations	**44,977,148**	35,796,136	**6,271,176**	5,493,358
– Discontinued operations (Note 21)	**189,183**	200,343	**–**	–
	45,166,331	35,996,479	**6,271,176**	5,493,358

(a) Revenue from contracts with customers

Set out below is the disaggregation of the Group's and the Company's revenue from contracts with customers for the transfer of goods and services in the following major product and service lines. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 Operating Segments (See Note 39).

	Timing of revenue recognition	THE GROUP		THE COMPANY	
		2022	2021 (Restated)	2022	2021
		Rs'000	Rs'000	Rs'000	Rs'000
Disaggregation of revenue					
Construction and repairs of ships	Over time	**1,292,594**	973,594	**–**	–
Construction and sale of properties	Over time	**49,777**	156,666	**–**	–
Construction contracts – construction, engineering and interior design	Over time	**1,446,379**	2,043,367	**–**	–
Customer loyalty programmes	Over time	**166**	–	**3,725**	3,610
Freight forwarding and custom clearing services	At a point in time	**687,965**	419,225	**–**	–
Hotel operations, management and leisure	Over time	**7,114,925**	1,972,367	**–**	–
Maintenance, repairs and after sale services	Over time	**123,802**	175,584	**–**	–
Manufacturing, storage and sale of seafood and associated products	At a point in time	**1,195,537**	1,292,984	**–**	–
Medical research	Over time	**314,764**	277,525	**–**	–
Processing and sale of beverages	At a point in time	**8,573,633**	7,481,394	**119,689**	96,371
Professional services – local and global businesses	Over time	**774,406**	644,351	**–**	–
Sale of equipment – heavy machineries, generators and irrigation	At a point in time	**639,139**	649,795	**–**	–
Sale of goods – tools, spare parts and electrical goods	At a point in time	**721,381**	639,261	**–**	–
Sales of goods – consumer, retail, wholesale and other products	At a point in time	**19,820,145**	17,234,471	**5,238,198**	4,656,700
Shipping and aviation services	Over time	**260,801**	187,191	**80,891**	9,218
Transport services – Cargo and passengers	At a point in time	**416,462**	228,047	**–**	–
Travel-related services – corporate and leisure	At a point in time	**2,780**	1,047	**–**	–
Others	At a point in time	**3,407**	5,911	**–**	–
		43,438,063	34,382,780	**5,442,503**	4,765,899
Attributable to:					
– Continuing operations		**43,248,880**	34,182,437	**5,442,503**	4,765,899
– Discontinued operations (Note 21)		**189,183**	200,343	**–**	–
		43,438,063	34,382,780	**5,442,503**	4,765,899

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

29. REVENUE (CONTINUED)

(b) Contract assets

The contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date on construction contracts. The Group also receives advances on hotel operations and medical researches.

	THE GROUP	
	2022	2021 (Restated)
	Rs'000	Rs'000
At 01 July		
– As previously reported	**793,804**	591,560
– Effect of prior year restatement (Note 44)	**86,064**	–
– As restated	**879,868**	591,560
Addition during the year	**49,461**	376,395
Allowance for expected credit losses	**(5,670)**	(1,502)
Write offs during the year	**(94,319)**	(6,703)
Acquisition of subsidiaries (Note 38(a))	**–**	2,632
Progress billings	**(66,847)**	(83,276)
Exchange differences	**1,252**	762
At 30 June	**763,745**	879,868
Non-current	**–**	77,600
Current	**763,745**	802,268
	763,745	879,868

Management has assessed its lifetime ECL on contract assets on the same basis as its trade receivables.

<u>Set out below is the movement in the loss allowance:</u>

	2022	2021
	Rs'000	Rs'000
At 01 July	**(3,754)**	(2,252)
Increase in loss allowance recognised in profit or loss during the year	**(5,670)**	(1,502)
At 30 June	**(9,424)**	(3,754)

(c) Contract liabilities

The contract liabilities relate to advance consideration received from customers for which revenue is recognised over time.

	THE GROUP			
	At 01 July	Amount received during the year	Amount recognised in revenue	At 30 June
2022	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Arising on upfront fees from management services recognised over time	**68,193**	**77,098**	**(69,033)**	**76,258**
Deposits collected on future stay from customers	**223,529**	**349,472**	**(251,651)**	**321,350**
Amounts related to construction contracts	**277,551**	**450,799**	**(246,688)**	**481,662**
Customer loyalty programme	**15,737**	**–**	**(15,737)**	**–**
Amounts related to research and development	**12,721**	**12,337**	**(12,721)**	**12,337**
	597,731	**889,706**	**(595,830)**	**891,607**
2021				
Arising on upfront fees from management services recognised over time	72,847	68,599	(73,253)	68,193
Deposits collected on future stay from customers	1,873	223,529	(1,873)	223,529
Amounts related to construction contracts	393,175	186,219	(301,843)	277,551
Customer loyalty programme	19,117	230	(3,610)	15,737
Amounts related to research and development	7,812	4,909	–	12,721
	494,824	483,486	(380,579)	597,731

	2022	2021
	Rs'000	Rs'000
Non-current	**–**	19,734
Current	**891,607**	577,997
	891,607	597,731

The Company had no contract liabilities as at 30 June 2022 (30 June 2021: Rs 15.7 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

30. OTHER INCOME

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Sundry income (Note (i))	548,556	406,096	171,719	104,853
Transport income	28,054	31,207	–	–
Profit on disposal of property, plant and equipment	28,519	11,346	493	614
(Loss)/ profit on disposal of intangible assets	(23)	1,644	–	–
Professional services	7,766	727	5,690	30,527
Gain / (loss) on exchange	190,561	336,099	(3,863)	47,592
Management and secretarial fees	2,692	6,397	10,976	21,115
Wage assistance scheme	238,757	478,646	–	–
Bad debts recovered	1,701	1,539	–	10
Profit on sale of IHS units	319,388	28,980	–	–
	1,365,971	1,302,681	185,015	204,711
Attributable to:				
– Continued operations	1,313,439	1,251,952	185,015	204,711
– Discontinued operations (Note 21)	52,532	50,729	–	–
	1,365,971	1,302,681	185,015	204,711

(i) Sundry income includes marketing incentives received from suppliers and staff secondment among others.

31. INTEREST INCOME USING THE EFFECTIVE INTEREST RATE METHOD

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Interest income	63,411	84,831	1,394	13,839
Attributable to:				
– Continuing operations	63,411	84,831	1,394	13,839

32. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Interest expense on:				
– Bank loans	326,620	422,081	–	–
– Bank overdrafts	55,361	123,053	25,465	67,406
– Bonds and notes	530,898	326,814	404,090	289,530
– Leases	345,349	355,681	4,128	4,061
	1,258,228	1,227,629	433,683	360,997
Attributable to:				
– Continuing operations	1,246,481	1,192,935	433,683	360,997
– Discontinued operations (Note 21)	11,747	34,694	–	–
	1,258,228	1,227,629	433,683	360,997

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

33. OTHER GAINS AND LOSSES

	THE GROUP		THE COMPANY	
	2022	2021 (Restated)	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Fair value adjustment on investment properties	290,279	124,207	–	–
(Loss)/gain on debt instruments at FVTPL	(13,395)	85,667	–	3,500
Gain on disposal of associates	–	980	–	–
Gain on deemed disposal of associates	158,236	59,724	–	–
Loss on disposal of subsidiaries	38,145	218,575	–	–
Gain on winding up of subsidiaries	4,794	–	–	–
Impairment loss on investment in associates	(259,942)	(34,509)	–	–
Impairment loss on investment in joint ventures	–	(16,610)	–	–
Impairment of goodwill	(380,747)	(23,731)	–	–
Gain on bargain purchase on acquisition of an associate	21,631	–	–	–
Termination of lease released to profit or loss	–	17,776	–	7,717
Loss on disposal of held for sale assets	–	(60,888)	–	–
Impairment of held for sale assets	(7,414)	(86,452)	–	–
Impairment of property, plant and equipment and intangibles assets	(211,830)	(13,249)	–	–
Impairment of right of use assets	(35,790)	(70,111)	–	(7,490)
COVID-19 rent concession	–	18,477	–	–
Cost of issue of bonds and other costs	–	(14,902)	–	(14,902)
Reversal of provisions	–	–	–	22,886
Refund of contract assets	22,387	–	–	–
	(373,646)	204,954	–	11,711
Attributable to:				
– Continuing operations	(404,377)	133,719	–	11,711
– Discontinued operations (Note 21)	30,731	71,235	–	–
	(373,646)	204,954	–	11,711

34. COMMITMENTS

		THE GROUP		THE COMPANY	
		2022	2021	2022	2021
		Rs'000	Rs'000	Rs'000	Rs'000
(a)	Capital commitments				
	Authorised by the Board of Directors and:				
	– Contracted for	394,374	510,046	11,000	–
	– Not contracted for	988,295	865,864	12,678	43,209
		1,382,669	1,375,910	23,678	43,209

The associates and joint ventures of the Group had contracted and non-contracted capital commitments amounting to Rs 1.2 billion (2021: Rs 1.0 billion) for the year ended 30 June 2022.

(b) Operating lease commitments

The Group as a lessor

The Group has entered into operating leases on its investment property portfolio consisting of certain office and commercial buildings. These leases have terms between 5 and 20 years.

Future minimum rentals receivables under non-cancellable leases as at 30 June are as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Within one year	60,876	62,580
After one year but not more than five years	109,250	150,062
More than five years	6,850	18,869
	176,976	231,511

Rental income earned during the year was Rs 88.0 million (2021: Rs 120.4 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

35. CONTINGENT LIABILITIES

(a) Legal claim contingency

Lux Island Resorts ("LIR")

Legal claims of Rs 59.4 million (2021: Rs 60.4 million) have been lodged against LIR in the Intermediary Court of Mauritius arising from claims mainly in respect of termination of employment or contracts. The directors have been advised that some claims appear unfounded and that the severance allowance/damages claim in others appear grossly exaggerated. At this stage, the directors do not believe that the Group will be required to settle the amounts claimed.

United Basalt Products Ltd ("UBP")

Legal action has been initiated by former employees against UBP in respect of unpaid severance allowances. The estimated payout is Rs 39.5 million (2021: Rs 41.5 million), should the action be successful. Trials are ongoing and therefore it is not practicable to state the timing of payment, if any. The Group has been advised by its legal counsel that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in the financial statements.

Alteo Limited

There are several legal cases against Transmara Sugar Company Ltd relating to disputes and breach of outgrowers' contracts and termination of employment with total exposure amounting to Rs 343 million (2021: Rs 231 million). A provision amounting to Rs 7.8 million (2021: Rs 6.5 milllion) was recorded in the year for the cases that management assessed the probability of losing as possible. For the rest of the amount, management has assessed the risk of crystalising as not more than likely and hence no provision was made. The Group's share of the provision was Rs 2.2 million at 30 June 2022 (2021: Rs 1.8 million).

(b) Bank and other guarantees

The Company and several subsidiaries have provided bank guarantees and other guarantees in the normal course of their activities. The directors consider that no liabilities will arise as the probability for default in respect of the guarantees is remote.

	THE GROUP		THE COMPANY	
	2022	2021	**2022**	2021
	Rs'000	Rs'000	**Rs'000**	Rs'000
Bank guarantees	**131,700**	460,483	**59,505**	52,983
Guarantees provided by group companies to subsidiaries	**2,418,980**	1,741,003	**905,900**	590,155
	2,550,680	2,201,486	**965,405**	643,138

ECL on financial guarantee contracts are disclosed in Note 25.

Contingent liabilities of the associated companies of the Group for which no provision has been made are as follows:

	2022	2021
	Rs'000	Rs'000
Bank guarantees	**21,560**	23,079
Financial guarantees and letters of credit	**2,855,268**	1,712,762
	2,876,828	1,735,841

The associated companies have bank guarantees and other guarantees in the normal course of their activities. Management considers that no liabilities will arise as the probability for default in respect of the guarantees is remote.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

36. RELATED PARTY TRANSACTIONS

THE GROUP

	Associates and joint ventures	
	2022	2021
Balances	**Rs'000**	Rs'000
Cash and cash equivalents	**246,633**	55,734
Trade and other receivables	**223,716**	233,590
Trade and other payables	**65,931**	81,241
Bank overdrafts and borrowings	**489,289**	448,178

	Associates and joint ventures	
	2022	2021
Transactions	**Rs'000**	Rs'000
Sale of goods and services	**1,117,831**	1,314,358
Purchase of goods and services	**859,743**	650,053
Purchase of property, plant and equipment	**914**	–
Administrative expenses	**143,523**	46,069
Other income	**26,329**	30,747
Interest expense	**10,752**	25,213

THE COMPANY

	Subsidiaries		Associates and joint ventures	
	2022	2021	**2022**	2021
Balances	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Cash and cash equivalents	**–**	–	**100,482**	25,279
Trade and other receivables	**432,971**	384,362	**16,791**	13,528
Trade and other payables	**232,954**	95,566	**16,479**	20,959
Borrowings	**–**	–	**192,040**	89,097

	Subsidiaries		Associates and joint ventures	
	2022	2021	**2022**	2021
Transactions	**Rs'000**	Rs'000	**Rs'000**	Rs'000
Sale of goods and services	**1,108,648**	1,037,510	**22,852**	13,101
Purchase of goods and services	**152,782**	94,379	**216,710**	191,421
Dividend income	**601,674**	466,659	**219,664**	254,787
Interest expense	**16,202**	14,623	**1,491**	11,736
Other income	**43,508**	85,810	**5,393**	6,131
Administrative expenses	**340,187**	288,672	**1,940**	2,185
Management fees	**61,677**	57,002	**17,256**	6,100

The Group and the Company have applied the ECL rates on trade receivables and have also made provision amounting to Rs 243 million (2021: Rs 338 million) on amount due by related parties.

The terms and conditions of transactions with related party are presented in their respective notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

36. RELATED PARTY TRANSACTIONS (CONTINUED)

Retirement benefit – group plan

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Retirement benefit costs				
Retirement benefit costs allocated to subsidiaries	**–**	–	**(68,429)**	201,403
Retirement benefit costs allocated to associates	**(2,602)**	4,526	**(2,602)**	4,526
	(2,602)	4,526	**(71,031)**	205,929
Retirement benefit liability				
Retirement benefit liability allocated to subsidiaries	**–**	–	**242,227**	223,410
Retirement benefit liability allocated to associates	**8,173**	6,798	**8,173**	8,173
	8,173	6,798	**250,400**	231,583

Compensation paid to key management personnel

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Short term benefits	**921,502**	722,318	**263,104**	156,944
Post employment benefits	**121,157**	65,899	**51,196**	22,583
	1,042,659	788,216	**314,300**	179,527

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS

In its ordinary operations, the Group and the Company are exposed to various risks such as capital risk, foreign currency risks, interest rate risks, credit risks and liquidity risks. The Group and the Company have devised on a central basis a set of specific policies for managing these exposures.

Capital risk management

The Group and the Company manage their capital to ensure that they will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's and the Company's overall strategy remains unchanged.

The capital structure of the Group and the Company consists of debt, which includes borrowings, net of cash and cash equivalents and equity, comprising stated capital, reserves, retained earnings and non-controlling interests as disclosed in the statements of changes in equity.

Gearing ratio

The Group and the Company monitor capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt over net debt plus total equity. Net debt is calculated as total borrowings (as shown on the statement of financial position) less cash and cash equivalents. Total equity comprises all components of equity (i.e. stated capital, non-controlling interests, retained earnings and reserves).

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Total debt (Note (i))	**29,369,194**	28,705,949	**12,310,375**	11,560,618
Less: Cash and cash equivalents	**(5,848,841)**	(4,622,354)	**(603,898)**	(485,399)
Net debt	**23,520,353**	24,083,595	**11,706,477**	11,075,219
Total equity	**29,589,129**	27,462,461	**21,565,290**	18,159,457
Gearing (net debt / (net debt + total equity))	**44%**	47%	**35%**	38%

(i) Total debt includes borrowings (Note 22) and lease liability (Note 16)

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability and equity instruments are disclosed in Note 2(B) to the financial statements.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Financial assets				
Financial assets at fair value through other comprehensive income	**404,343**	391,549	**31,598,258**	27,858,610
Financial assets at fair value through profit or loss	**348,453**	429,354	**–**	–
Financial assets at amortised cost	**14,204,655**	11,505,809	**2,338,372**	1,996,500
	14,957,451	12,326,712	**33,936,630**	29,855,110
Financial liabilities				
Amortised cost	**42,128,896**	39,618,031	**14,102,858**	13,218,740

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Fair value

Except where stated elsewhere, the carrying amounts of the Group's and the Company's financial assets and financial liabilities approximate their fair values due to the short-term nature of the balances involved.

The fair values of financial assets and liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.
- Where there is no active market, the fair value of available for sale investments have been determined using valuation techniques including comparisons to similar recent transactions, reference to price earnings ratios of similar quoted investments, discounted cash flow and other valuation models. Such valuation exercises require that the Group and the Company make estimates of future cash flows, discount rates and price earning ratio as applicable to the relevant markets.

The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

	THE GROUP			
	Level 1	Level 2	Level 3	Total
2022	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Other financial assets	**256,371**	**222,335**	**274,090**	**752,796**
2021				
Other financial assets	256,841	326,402	237,660	820,903

	THE COMPANY			
	Level 1	Level 2	Level 3	Total
2022	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Investment in subsidiaries	**6,781,021**	**–**	**17,673,867**	**24,454,888**
Investment in associates	**2,799,459**	**–**	**3,811,758**	**6,611,217**
Investment in joint ventures	**–**	**–**	**406,932**	**406,932**
Other financial assets	**36,457**	**–**	**88,764**	**125,221**
	9,616,937	**–**	**21,981,321**	**31,598,258**
2021				
Investment in subsidiaries	5,256,218	–	16,058,600	21,314,818
Investment in associates	2,271,259	–	3,787,608	6,058,867
Investment in joint ventures	–	–	382,625	382,625
Other financial assets	93,870	–	–	93,870
	7,621,347	–	20,228,833	27,850,180

There has been no transfer between Level 1 and Level 2 as at 30 June 2022 and 30 June 2021.

The reconciliation of Level 3 fair value financial instruments for the Company are detailed in Notes 11, 12, 13 and 14.

Reconciliation of Level 3 for the Group

	2022	2021
	Rs'000	Rs'000
At 1 July	**237,660**	321,137
Additions	**14,169**	4,108
Acquisition of subsidiaries	**–**	59
Disposals	**–**	(107,904)
Impairment loss	**–**	(7)
Fair value adjustment	**11,792**	17,001
Translation difference	**(399)**	204
Accrued interest	**–**	3,062
Reclassification from Level 1 to Level 3	**712**	–
Reclassification from Level 3 to Level 1/2	**10,156**	–
At 30 June	**274,090**	237,660

The impairment loss and fair value adjustment are unrealised. Since investment in associates and joint ventures are equity accounted, the fair value adjustment only relates to other financial assets. Refer to Note 14.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Quantitative information of significant unobservable inputs – Level 3

THE GROUP

Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity to the input to fair value
	Unquoted equity investment		
2022			
PE Multiple	Multiple	16.27x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 5,993,000
PE Multiple	Discount for lack of marketability	20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 4,698,000
	Foreign equity-Bank		
Price to book value	Discount due to lack of marketability	0-40%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs 6.45M (2021: Rs 15.85M) in fair value.
	Commerce and others		
Dividend yield	Discount due to lack of marketability	10-20%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs0.016M (2021: Rs0.016M) in fair value.
	Unquoted equity investment		
2021			
PE Multiple	Multiple	11.35x-18.8x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 5,480,000
PE Multiple	Discount for lack of marketability	15-55%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 5,662,000
	Foreign equity-Bank		
Price to book value	Discount due to lack of marketability	0-40%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs15.85M (2020: Rs7M) in fair value.
	Commerce and others		
Dividend yield	Discount due to lack of marketability	10-20%	A 5% increase/decrease in discount factor will lead to a decrease/increase of Rs0.016M (2020: Rs0.07M) in fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Quantitative information of significant unobservable inputs – Level 3 (Continued)

THE COMPANY

	Unquoted equity investment		
Valuation technique	**Significant unobservable inputs**	**Range (weighted average)**	**Sensitivity to the input to fair value**
2022			
DCF method	Long-term growth rate for cash flows for subsequent years	3.00%-3.00% (3.00%)	1% increase (decrease) would result in an increase (decrease) in fair value by Rs 1,037,788,000
DCF method	WACC	9.19%-19.00% (12.38%)	1% increase (decrease) would result in a decrease (increase) in fair value by Rs 1,213,400,000
PE Multiple	Multiple	3.00x-13.29x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 220,012,077
PE Multiple	Discount for lack of marketability	0-20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 122,222,246
PB Multiple	Multiple	0.95x-1.08x	An increase of 5% (decrease) would result in an increase (decrease) in fair value by Rs 183,609,071
EV/EBITDA Multiple	EBITDA	4.00x-15.06x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 74,129,865
	Unquoted equity investment		
2021			
DCF method	Long-term growth rate for cash flows for subsequent years	3.00% - 3.00% (3.00%)	1% increase (decrease) would result in an increase (decrease) in fair value by Rs 951,844,000
DCF method	WACC	10.39%-24.09% (14.21%)	1% increase (decrease) would result in a decrease (increase) in fair value by Rs 1,202,480,000
PE Multiple	Multiple	10.0x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 157,057,663
PE Multiple	Discount for lack of marketability	0-20%	An increase of 5% (decrease) would result in a decrease (increase) in fair value by Rs 100,148,571
PB Multiple	Multiple	1.0x-1.08x	An increase of 5% (decrease) would result in an increase (decrease) in fair value by Rs 169,705,909
EV/EBITDA Multiple	EBITDA	3.81x-24.75x	An increase of 1x (decrease) would result in an increase (decrease) in fair value by Rs 103,014,713

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Foreign exchange risk

The Group and the Company are exposed to the risk that the exchange rate of the Mauritian Rupee relative to foreign currencies may change in a manner which has a material effect on the reported values of the Group's and the Company's assets and liabilities. The Group and the Company undertake certain transactions denominated in foreign currencies and hence, exposures to exchange rate fluctuations arise. The Group and the Company are mainly exposed to the United States Dollar (USD), Euro (EUR) and Great Britain Pound (GBP).

Currency profile

	THE GROUP		**THE COMPANY**	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Financial assets				
Mauritian Rupee	**12,674,968**	8,989,423	**30,471,382**	29,657,389
US Dollar	**963,319**	1,289,877	**14,817**	118,665
Euro	**1,019,211**	763,386	**14,195**	77,173
Great Britain Pound	**89,310**	204,483	**11,740**	650
Others	**210,643**	1,079,543	**3,424,496**	1,233
	14,957,451	12,326,712	**33,936,630**	29,855,110
Financial liabilities				
Mauritian Rupee	**34,362,772**	27,978,053	**12,826,015**	13,218,740
US Dollar	**2,675,656**	4,566,808	**259,342**	-
Euro	**3,140,140**	4,023,542	**265,007**	-
Great Britain Pound	**653,784**	691,162	**6,127**	-
Others	**1,296,544**	2,358,466	**746,367**	-
	42,128,896	39,618,031	**14,102,858**	13,218,740

Foreign currency sensitivity analysis

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the Mauritian Rupee against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the Mauritian Rupee appreciates 10% against the relevant currency. For a 10% weakening of the Mauritian Rupee against the relevant currency, there would be an equal and opposite impact on the profit.

Impact of an appreciation of 10% of the Mauritian Rupee against the relevant currencies:

	THE GROUP		**THE COMPANY**	
	2022 Rs'000	2021 Rs'000	**2022 Rs'000**	2021 Rs'000
Impact - US Dollar				
Profit or loss	**(171,234)**	(327,693)	**(24,453)**	11,867
Equity	**(105,050)**	(125,530)	**-**	-
Impact - Euro				
Profit or loss	**(212,093)**	(326,016)	**(25,081)**	7,717
Equity	**(75,696)**	(55,840)	**-**	-
Impact - Great Britain Pound				
Profit or loss	**(56,447)**	(48,668)	**561**	65
Equity	**(30,393)**	(33,638)	**-**	-

The profit or loss is mainly attributable to the exposure outstanding on foreign currency receivables, payables, borrowings and cash and cash equivalents at year end for the Group and the Company.

The equity impact of a change in rate of EUR vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary in Réunion Island and also to the hedge reserve arising on the hedge accounting of EUR loans.

The equity impact of a change in rate of USD vis-à-vis the Mauritian Rupee is attributable mainly to net investment in the subsidiary, Lux Island Resorts Maldives Ltd, and also to the hedge reserve arising on hedge accounting of USD loans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

The Group and the Company are exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The Group and the Company manage the risk by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rates for the non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. Financial assets are either interest free or bear a fixed rate of interest; therefore, they are not exposed to interest rate risk. For instance, the financial assets as shown in the categories of financial instruments, with the exception of loans and advances, are interest free. Financial assets encompassing loans and advances have a fixed rate of interest. A 100 basis point increase or decrease is used and it represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 June 2022 would decrease/increase by Rs 177,304,310 (2021: Rs 169,797,910) and the Company's profit for the year ended 30 June 2022 would decrease/increase by Rs 68,092,880 (2021: Rs 59,731,260). This is mainly attributable to the Group's and the Company's exposure to interest rates on their variable rate borrowings.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are approved and reviewed by key management on regular basis. Refer to Note 2B(l) for the credit risk attributes in relation to trade and other receivables, cash and bank balances and corporate bonds and deposits.

The Group's and the Company's credit risk are primarily attributable to trade and other receivables. The amounts presented in the statements of financial position are net of allowances for doubtful receivables, estimated by management based on prior experience and represents the Group's and the Company's maximum exposure to credit risk. Refer to Note 18 for the credit risk exposure of trade and other receivables based on the Group's and the Company's provision matrix in accordance with IFRS 9.

Other price risks

The Group and the Company are exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group and the Company do not actively trade these investments.

The sensitivity analysis has been determined based on the exposure to equity price risks at the reporting date.

If the equity price had increased or decreased by 10%:

- There would be no impact on the net profit at 30 June 2022 and 2021 as equity investments are classified as Financial assets at fair value through other comprehensive income (FVTOCI).
- The other comprehensive income and fair value reserves included in equity would increase/decrease by Rs 25,637,100 (2021: Rs 25,684,100) for the Group and Rs 961,693,700 (2021: Rs 762,134,700) for the Company, as a result of the changes in fair value of Financial assets at fair value through other comprehensive income (FVTOCI).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management

The Group and the Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below shows the maturity profile of the financial liabilities of the Group and the Company, based on contracted payments:

	THE GROUP				
	At call	Less than one year	1 to 5 years	> 5 years	Total
2022	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Lease liabilities	**–**	**578,499**	**2,438,003**	**1,599,623**	**4,616,125**
Non-interest bearing instruments**	**–**	**11,353,616**	**135,769**	**–**	**11,489,385**
Variable interest rate instruments	**3,022,155**	**1,717,198**	**6,746,615**	**6,244,463**	**17,730,431**
Fixed interest rate instruments	**94,939**	**1,792,826**	**3,226,969**	**1,907,904**	**7,022,638**
Financial guarantee contracts*	**2,418,980**	**–**	**–**	**–**	**2,418,980**
	5,536,074	**15,442,139**	**12,547,356**	**9,751,990**	**43,277,559**
2021					
Lease liabilities	–	554,697	1,880,959	2,150,938	4,586,594
Non-interest bearing instruments**	–	9,784,492	134,966	–	9,919,458
Variable interest rate instruments	2,679,359	1,329,476	6,728,313	6,242,643	16,979,791
Fixed interest rate instruments	95,977	934,615	5,333,599	14,044,556	20,408,747
Financial guarantee contracts*	1,741,003	–	–	–	1,741,003
	4,516,339	12,603,280	14,077,837	22,438,137	53,635,593

*Based on the maximum amount that can be called for under financial guarantee contracts under IFRS 9.

**Non-interest bearing instruments consist of trade and other payables, other payables, dividend payable and gross outstanding claims.

	THE COMPANY				
	At call	Less than one year	1 to 5 years	> 5 years	Total
2022	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Lease liabilities	**–**	**22,553**	**45,618**	**–**	**68,171**
Non-interest bearing instruments**	**–**	**1,708,422**	**84,093**	**–**	**1,792,515**
Variable interest rate instruments	**2,201,633**	**512,655**	**2,565,000**	**1,530,000**	**6,809,288**
Fixed interest rate instruments	**6,747**	**1,521,169**	**2,435,000**	**1,470,000**	**5,432,916**
Financial guarantee contracts*	**905,900**	**–**	**–**	**–**	**905,900**
	3,114,280	**3,764,799**	**5,129,711**	**3,000,000**	**15,008,790**
2021					
Lease liabilities	–	22,027	54,856	–	76,883
Non-interest bearing instruments**	–	1,521,096	81,466	–	1,602,562
Variable interest rate instruments	1,366,296	26,830	2,050,000	2,530,000	5,973,126
Fixed interest rate instruments	–	6,015	2,950,000	2,470,000	5,426,015
Financial guarantee contracts*	590,155	–	–	–	590,155
	1,956,451	1,575,968	5,136,322	5,000,000	13,668,741

*Based on the maximum amount that can be called for under financial guarantee contracts under IFRS 9.

**Non-interest bearing instruments consist of trade and other payables, other payables and dividend payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(a). FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk management (Continued)

Cash flow hedge

The hedge reserve is used to record the exchange differences arising on the EUR, GBP and USD loans taken by the Group and which have been designated as hedging instruments against future revenues of the Group in the respective currencies. The risk management objective is to hedge the changes in cash flows arising from foreign exchange rate risk associated with future revenues and cash flows of the Group. The hedging strategy is to enter into loan agreements (the "hedging instruments"), in EUR, GBP and USD with future principal payments that will be matched by the future remittances from customers in these currencies. The movement for the year is in respect of exchange difference on conversion of loan in USD, GBP and EUR at year end rate. Upon annual repayment of long term borrowings and leases, the portion of hedge realised is released from the hedge reserve.

The effective portion of the gain or loss on the hedging instruments in cash flow hedge reserves recognised in the cash flow hedge as at 30 June 2022 is a negative reserve of Rs 29,622,000 (2021: negative Rs 310,743,000). The amount included in "other reserves" is negative Rs 40,813,000 (2021: negative Rs 199,554,000) while amount attributable to non-controlling interests is Rs 11,191,000 (2021: negative Rs 111,189,000).

The movement for the year amounting to Rs 281,121,000 (2021: negative Rs 339,383,000) relates to exchange differences on translation of US Dollar and Euro at year end rate in addition to the portion of exchange difference reserve realised on repayment of borrowings. An amount of Rs 158,741,000 (2021: negative Rs 191,640,000) is attributable to the Group while an amount of Rs 122,380,000 (2021: negative Rs 147,743,000) is attributable to non-controlling interests.

Cash flow hedge reserves

	THE GROUP	
	2022	2021 Restated
	Rs'000	Rs'000
At 1 July		
- As previously reported	**(567,337)**	(262,612)
- Effect of prior year restatements (Note 44)	**(85,105)**	(38,126)
- As restated	**(652,442)**	(300,738)
Cash flow hedge on loan in foreign currency	**241,974**	(374,807)
Cash flow hedge reserve released on repayment of loan	**68,908**	20,726
Deferred tax	**(4,938)**	2,377
At 30 June	**(346,498)**	(652,442)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(b). MANAGEMENT OF INSURANCE RISKS

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be (Law of large numbers). In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

Casualty insurance

Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of awards for the damage suffered as a result of motor injury claims. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. As part of its permeating and systematic risk management, the Group continually identifies and analyses the risks. Underwriting guidelines and limits clearly regulate responsibility and accountability for the whole process of acquiring and concluding insurance contracts. Compliance with the above are regularly checked. Following developments in the local and global market, appropriate measures are taken, translated without delay in corresponding underwriting guidelines if required.

Underwriting limits are thus in place to enforce appropriate risk selection criteria. For example, the Group has the right to impose deductibles and it has the right to reject the payment of a fraudulent claim, as well as inviting renewals on different terms. Insurance contracts also entitle the Group to sue third parties for payment of incurred costs (i.e. subrogation).

The reinsurance arrangements are mostly excess of loss reinsurance layers in respect of casualty.

Property insurance

Frequency and severity of claims

For property insurance contracts, climatic changes give rise to more frequent and severe extreme weather events (for example, cyclones, tsunami etc.) and their consequences (for example, cyclone claims).

For certain contracts, the Group has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year.

The Group has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claims payment limits are always included to cap the amount payable on occurrence of the insured event. Cost of rebuilding properties, of replacement or indemnity for contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from cyclone or flood damage. The availability and cost of reinsurance are subject to prevailing market conditions, both in terms of price and availability capacity. Although the reinsurers are liable to the extent of the reinsurance ceded, the Group remains primarily liable to the policy holder as the direct insurer of all risks reinsured. The Group evaluates the financial condition of its reinsurers to minimize its exposures to losses from reinsurer insolvencies.

To the Group's knowledge, none of its reinsurers is experiencing financial difficulties. Markets have tightened their underwriting of proportional treaty programme, which have impacted on the Mauritian Insurance sector where companies were more used to traditional reinsurance and had to increase their net retention.

Catastrophe protection treaties are a must to insurance companies based in Mauritius due to our constant exposure towards tropical cyclones.

The Group has reinsurance cover for such damage to accommodate its increased exposure.

Property insurance contracts are subdivided into four risk groups: fire, business interruption, cyclone damage and other perils. The insurance risk arising from these contracts is not concentrated in any of the territories in which the Group operates, and there is a balance between commercial and personal properties in the overall portfolio of insured buildings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Concentration of insurance risk (Short-term insurance)

The following table discloses the concentration of outstanding claims by class of business, gross and net of reinsurance.

	2022			2021		
Class of business	**Gross**	**Reinsurance**	**Net**	Gross	Reinsurance	Net
	Rs'000	**Rs'000**	**Rs'000**	Rs'000	Rs'000	Rs'000
Accident	**19,262**	**(2,421)**	**16,841**	96,243	(34,291)	61,952
Engineering	**111,424**	**(89,866)**	**21,558**	108,445	(94,102)	14,343
Fire	**770,509**	**(706,344)**	**64,165**	418,113	(372,885)	45,228
Liability	**313,744**	**(178,130)**	**135,614**	233,980	(149,985)	83,995
Motor	**329,697**	**(50,409)**	**279,288**	310,769	(25,942)	284,827
Health	**45,948**	**(33,533)**	**12,415**	31,376	(23,714)	7,662
Marine	**71,574**	**(23,483)**	**48,091**	116,502	(74,025)	42,477
IBNR	**157,598**	**(80,459)**	**77,139**	141,408	(63,190)	78,218
	1,819,756	**(1,164,645)**	**655,111**	1,456,836	(838,134)	618,702

The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

Sources of uncertainty in the estimation of future benefit payments

Casualty insurance

Claims on casualty contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contracts term. As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR). There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liabilities covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of incident.

The estimated cost of claims includes direct expenses incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposure. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period. The amount of casualty claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Casualty contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the end of the reporting period.

In calculating the estimated cost of unpaid claims (both reported and not), the Group's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

The initial loss-ratio estimate is an important assumption in the estimation technique and is based on previous years' experience, adjusted for factors such as premium rate changes, anticipated market experience and historical claims inflation. The initial estimate of the loss ratios used for the current year (before reinsurance) are analysed by territory and type of risk where the insured operates for current and prior year premium earned.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Sources of uncertainty in the estimation of future benefit payments (Continued)

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Group, where information about the claim event is available. IBNR claims may not be apparent to the insurer until many years after the event that gave rise to the claims has happened. For casualty contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid, the Group considered any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

Where possible, the Group adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

Property insurance

Property claims are analysed separately for cyclone and non-cyclone claims. The development of large losses/catastrophes is analysed separately. Non-cyclone claims can be estimated with greater reliability, and the Group's estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allow the Group to achieve a higher degree of certainty about the estimated cost of claims, and relatively little (Incurred but not Reported) IBNR is held at year-end.

Claims development table

The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. The table below illustrates how the estimates of total claims outstanding for each year have changed at successive year-ends and reconciles the cumulative claims to the amount appearing in the statement of financial position.

2022

	2017	**2018**	**2019**	**2020**	**2021**	**2022**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
At end of							
Accident year	**428,699**	**841,151**	**840,449**	**825,515**	**742,886**	**1,092,813**	**4,771,513**
1 year later	**163,750**	**59,271**	**51,996**	**47,362**	**(9,262)**	**-**	**313,117**
2 years later	**(32,106)**	**24,714**	**(71)**	**(30,984)**	**-**	**-**	**(38,447)**
3 years later	**(17,328)**	**(11,478)**	**(2,025)**	**-**	**-**	**-**	**(30,831)**
4 years later	**2,144**	**(9,642)**	**-**	**-**	**-**	**-**	**(7,498)**
5 years later	**(1,917)**	**-**	**-**	**-**	**-**	**-**	**(1,917)**
Current estimate of cumulative claims	**543,242**	**904,016**	**890,349**	**841,893**	**733,624**	**1,092,813**	**5,005,937**
Accident year	**317,902**	**308,880**	**308,367**	**508,812**	**472,863**	**472,171**	**2,388,995**
1 year later	**128,796**	**179,049**	**415,540**	**211,620**	**135,969**	**-**	**1,070,974**
2 years later	**16,075**	**51,861**	**29,820**	**33,809**	**-**	**-**	**131,565**
3 years later	**5,199**	**4,456**	**9,467**	**-**	**-**	**-**	**19,122**
4 years later	**3,370**	**10,685**	**-**	**-**	**-**	**-**	**14,055**
5 years later	**1,355**	**-**	**-**	**-**	**-**	**-**	**1,355**
Cumulative payment to date	**472,697**	**554,931**	**763,194**	**754,241**	**608,832**	**472,171**	**3,626,066**
	70,545	**349,085**	**127,155**	**87,652**	**124,792**	**620,642**	**1,379,871**
Liabilities in respect of prior years*							**282,287**
IBNR							**157,598**
Total gross liabilities							**1,819,756**

**This represents the cumulative liabilities prior to 2017*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

37(b). MANAGEMENT OF INSURANCE RISKS (CONTINUED)

Claims development table (Continued)

2021

	2016	2017	2018	2019	2020	2021	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At end of							
Accident year	608,754	428,699	841,151	840,449	825,515	742,886	4,287,454
1 year later	89,706	163,750	59,271	51,996	47,362	-	412,085
2 years later	25,761	(32,106)	24,714	(71)	-	-	18,298
3 years later	(31,859)	(17,328)	(11,478)	-	-	-	(60,665)
4 years later	(6,673)	2,144	-	-	-	-	(4,529)
5 years later	34,354	-	-	-	-	-	34,354
Current estimate of cumulative claims	720,043	545,159	913,658	892,374	872,877	742,886	4,686,997
Accident year	349,390	317,902	308,880	308,367	508,812	472,863	2,266,214
1 year later	206,400	128,796	179,049	415,540	211,620	-	1,141,405
2 years later	20,571	16,075	51,861	29,820	-	-	118,327
3 years later	2,838	5,199	4,456	-	-	-	12,493
4 years later	1,964	3,370	-	-	-	-	5,334
5 years later	59,192	-	-	-	-	-	59,192
Cumulative payment to date	640,355	471,342	544,246	753,727	720,432	472,863	3,602,965
	79,688	73,817	369,412	138,647	152,445	270,023	1,084,032
Liabilities in respect of prior years*							231,396
IBNR							141,408
Total gross liabilities							1,456,836

**This represents the cumulative liabilities prior to 2016*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries

Acquisitions in 2022

On 27 October 2021, one of the subsidiaries, UBP acquired the remaining 51% of Pre-Mixed Concrete Ltd ("Pre-Mixed") and obtained control over the subsidiary. Pre-Mixed is engaged in the manufacture of ready mixed concrete. Pre-Mixed has been acquired by the Group to be in line with its vertical integration strategy and paid a control premium to achieve same. The goodwill was fully impaired at 30 June 2022 as it is not expected to be recovered based on the value in use calculation of the acquired subsidiary.

SALT Hospitality Ltd, a subsidiary company, went under voluntary administration on 19 February 2021 and was subsequently derecognised as a subsidiary company due to loss of control as from that date. At the watershed meeting held on 17 December 2021, the Creditors of SALT Hospitality Ltd ("SHL") resolved the execution of a deed of company arrangement (DOCA), the terms and conditions of which were presented by the Administrator at the meeting. The DOCA contained a plan, which upon execution, will allow SHL to continue as a going concern. Under the terms of the DOCA, various liabilities covered by corporate financial guarantees were assigned to the Company, namely bank loans, lease obligations and secured creditors. Novation agreements reflecting the assignment of these debts as well as unconditionally releasing and discharging SHL of its obligations with respect to guaranteed claims have been signed between the various parties. On 28 December 2021, the Board of SHL, has, by resolution, approved the execution of the DOCA by and on behalf of SHL. The DOCA was effectively executed and registered on 5 January 2022 and accordingly SALT Hospitality Ltd was recognised as a subsidiary as from that date.

Acquisitions in 2021

In December 2020, the Group acquired a controlling stake in Confido Holdings Ltd for a total consideration of Rs 191 million hence increasing its shareholding to 100%. Goodwill arising on the acquisition amounts to Rs 221.67 million. The Group is committed to sell 26%-44% of its stake in the coming three years.

In January 2021, one of the associates made a dividend in specie in the form of shares of Ekada Capital Ltd. The Company subscribed for further shares and obtained a controlling interest of 51.97%. Goodwill arising on the acquisition amounts to Rs 20.29 million.

In December 2020, one of the subsidiaries, IBL Life Ltd, acquired a controlling stake in Plat Form Laser Ltée for a total consideration of Rs 1.8 million, hence increasing its shareholding to 100%. Goodwill arising on the acquisition amounts to Rs 1.29 million.

The goodwill generated from the acquisition of above subsidiaries were in relation to the benefit of expected synergies of the services and products in the financial services sector as well as consolidating the Group's position in the life sector.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. BUSINESS COMBINATIONS (CONTINUED)

(a) Acquisition of subsidiaries (Continued)

The identifiable assets acquired and liabilities assumed at fair value at date of acquisition are as follows:

	2022 Rs'000	2021 Rs'000
Assets		
Property, plant and equipment	207,337	3,966
Intangible assets	83,759	11,282
Non-current receivables	-	348
Right of use assets	357,666	4,211
Deferred tax assets (Note 7)	14,308	375
Inventories	18,194	-
Trade and other receivables	203,800	92,132
Contract assets (Note 29(b))	-	2,632
Other financial assets (Note 14)	-	59
Current tax assets	2,483	-
Cash and cash equivalents	13,922	91,695
	901,469	206,700
Liabilities		
Borrowings	14,277	-
Bank overdrafts	287	-
Trade and other payables	244,318	128,792
Retirement benefit obligations	28,919	4,090
Current tax liabilities	-	5,642
Contract liabilities	2,946	-
Lease liabilities	391,787	4,371
	682,534	142,895
Fair value of net assets acquired	218,935	63,805
Consideration paid in cash	285,416	201,127
Fair value of previously held interests	274,235	105,954
	559,651	307,081
Goodwill	340,716	243,276

Cash flow	2022 Rs'000	2021 Rs'000
Consideration paid in cash	285,416	201,127
Less: cash and cash equivalents acquired in subsidiary	(13,635)	(91,695)
Net cash outflow on acquisition	271,781	109,432

Impact of the acquisitions on the results of the Group

The revenue and results for the year ended 30 June 2022 include an amount of Rs 490 million and a loss of Rs 42 million respectively attributable to the additional business generated by the acquired subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. BUSINESS COMBINATIONS (CONTINUED)

(b) Disposal of subsidiaries

Disposals in 2022

Bluelife Limited realised the sale of PL Resort Ltd in March 2022. The assets and liabilities were previously classified as held for sale in the financial year ended 30 June 2021 and the results were presented in discontinued operations up to date of disposal.

During the year under review, the Group has also deconsolidated certain subsidiaries following the winding up of these subsidiaries. They were deconsolidated on 1 July 2021.

Disposals in 2021

Le Recif SAS was classified as assets held for sale as at June 2020. On 1 August 2020, the Group has finalised the sale of Hotel Le Recif, in Reunion Island, for a total proceeds of Rs 277 million.

SALT Hospitality Ltd ("SHL") entered into a voluntary administration in February 2021. Consequently, the Group lost control over the activities of SHL. The Group has accounted for the results of SHL under discontinued operations, recognised liabilities and guarantees given on behalf of SHL and have deconsolidated the statement of financial position of SHL when control was lost.

Analysis of assets and liabilities over which control was lost:

	2022 Rs'000	2021 Rs'000
Assets		
Property, plant and equipment	363,612	385,469
Intangible assets	74	42,473
Right of use assets	78,393	295,460
Deferred tax assets	5,107	105,533
Inventories	4,494	7,003
Trade and other receivables	26,222	83,017
Cash and cash equivalents	23,016	1,656
	500,918	920,611
Liabilities		
Borrowings	331,167	195,418
Bank overdraft	29,944	4,721
Trade and other payables	191,045	344,682
Retirement benefit obligations	2,861	8,144
Lease liabilities	-	309,236
	555,017	862,201
Net assets disposed	(54,099)	58,410
Share of net assets disposed	(34,377)	58,410
Profit on disposal	38,145	218,574
Profit on winding up of subsidiaries	4,794	-
	8,562	276,984
Consideration		
Consideration received in cash	8,562	276,984

Cash flow	2022 Rs'000	2021 Rs'000
Consideration paid in cash	8,562	276,984
Less: cash and cash equivalents acquired in subsidiary	6,928	3,065
Net cash inflow on disposal	15,490	280,049

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. BUSINESS COMBINATIONS (CONTINUED)

(c) Change in percentage holding in subsidiaries

On 01 July 2021, the Group acquired an additional 0.03% in Manser Saxon Contracting Ltd for a purchase consideration of Rs 165,852. The non-controlling interests was nil at that date and the Group recorded a decrease in equity attributable to owners of the Company of Rs 165,852. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	166
Less: Carrying amount of non-controlling interests acquired	-
Adjustment recognised in retained earnings (Debit)	166

On 01 July 2021, the Group acquired an additional 25% in LCF Holdings Ltd for a purchase consideration of Rs 3,900,000. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 4,370,250. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	3,900
Less: Carrying amount of non-controlling interests acquired	470
Adjustment recognised in retained earnings (Debit)	4,370

On 27 October 2021, a subsidiary acquired an additional 17.24% of the issued shares of Drymix Ltd for a purchase consideration of Rs 96.4 million. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 72.1 million. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	96,406
Less: Carrying amount of non-controlling interests acquired	(24,336)
Adjustment recognised in retained earnings (Debit)	72,070

On 16 June 2022, a subsidiary acquired an additional 24% of the issued shares of The (Mauritius) Glass Gallery Ltd for a purchase consideration of Rs 442,000. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 2,290,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	442
Less: Carrying amount of non-controlling interests acquired	1,848
Adjustment recognised in retained earnings (Debit)	2,290

During the year 2022, Bluelife Limited acquired an additional 27% of the issued shares of Haute Rive Azuri Hotel Ltd for a nominal consideration of Rs 1. The Group derecognised the non-controlling interests and recorded a decrease in equity attributable to owners of the Company of Rs 18,349,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2022
	Rs'000
Cash consideration paid to non-controlling interests	-
Less: Carrying amount of non-controlling interests acquired	18,349
Adjustment recognised in retained earnings (Debit)	18,349

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

38. BUSINESS COMBINATIONS (CONTINUED)

(c) Change in percentage holding in subsidiaries (Continued)

On 27 April 2021, the Group acquired an additional 10% of the issued shares of UBP Coffrages Ltée for a purchase consideration of Rs 900,000. The Group derecognised the non-controlling interests and recorded an increase in equity attributable to owners of the Company of Rs 370,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2021
	Rs'000
Cash consideration paid to non-controlling interests	900
Less: Carrying amount of non-controlling interests acquired	(1,270)
Adjustment recognised in retained earnings (Credit)	(370)

On 29 June 2021, the Group acquired an additional 5% of the issued shares of Ekada Capital Management Ltd for a purchase consideration of Rs 30,042,000. The Group derecognised the non-controlling interests and recorded an increase in equity attributable to owners of the Company of Rs 19,958,000. The effect of changes in the ownership interest on the equity attributable to owners of the Group is summarised as follows:

	2021
	Rs'000
Cash consideration paid to non-controlling interests	30,042
Less: Carrying amount of non-controlling interests acquired	(50,000)
Adjustment recognised in retained earnings (Credit)	(19,958)

39. SEGMENTAL INFORMATION - GROUP

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Group's reportable segments under IFRS 8 are:

- Agro & Energy
- Building & Engineering
- Commercial & Distribution
- Financial Services
- Hospitality & Services
- Life & Technologies
- Logistics
- Property
- Seafood
- Corporate Services

The segment information reported below does not include any amounts for the Group's discontinued operations. More information is given in Note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(i) Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reporting segment.

At 30 June 2022	**Agro & Energy**	**Building & Engineering**	**Commercial & Distribution**	**Financial Services**	**Hospitality & Services**	**Life & Technologies**	**Logistics**	**Property**	**Seafood**	**Corporate Services**	**Consolidation adjustments**	**Total**
	Rs'000	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**	**Rs'000**
Revenue (Note 29)	**–**	**7,680,102**	**27,636,798**	**2,352,096**	**7,210,029**	**409,166**	**2,052,067**	**706,641**	**1,547,247**	**204,115**	**(4,821,113)**	**44,977,148**
Results												
Segment result	**(47,534)**	**419,165**	**1,329,385**	**210,055**	**1,590,161**	**(31,610)**	**68,460**	**63,823**	**302,970**	**(418,538)**	**(126,386)**	**3,359,951**
Share of results of												
Associates & Joint Ventures	**274,934**	**12,525**	**2,996**	**461,144**	**–**	**165,497**	**474**	**(753)**	**(24,038)**	**12,777**	**–**	**905,556**
Finance costs (Note 32)												**(1,246,481)**
Finance income (Note 31)												**63,411**
Other gains and losses (Note 33)												**(404,377)**
Profit before tax (continuing operations)												**2,678,060**
Tax expense (Note 26)												**(736,366)**
Profit for the year												**1,941,694**

At 30 June 2021	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue (Note 29)	–	7,019,764	24,413,598	2,098,750	2,070,945	307,521	1,319,262	420,818	1,555,751	160,532	(3,570,805)	35,796,136
Results												
Segment result	(6,535)	580,980	1,184,302	145,458	(973,471)	(7,933)	(27,497)	8,917	305,843	(589,952)	(35,148)	584,964
Share of results of												
Associates & Joint Ventures	320,341	7,074	2,725	276,417	–	25,501	–	(2,358)	117,702	9,627	–	757,029
Finance costs (Note 32)												(1,192,935)
Finance income (Note 31)												84,831
Other gains and losses (Note 33)												133,719
Profit before tax (continuing operations)												367,608
Tax expense (Note 26)												(138,895)
Profit for the year												228,713

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2B. Segment profit represents the profit earned by each segment without allocation of finance costs, finance income, other gains and losses, and tax expense.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(ii) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reporting segment.

At 30 June 2022

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment assets	–	12,082,246	17,141,035	4,082,284	17,359,740	1,027,119	1,535,100	8,393,311	2,321,997	1,633,305	(2,220,941)	63,355,196
Investments in:												
Associates (Note 12)	4,923,609	69,799	21,112	3,182,932	–	104,290	–	111,187	1,786,926	34,829	–	10,234,684
Joint ventures (Note 13)	–	14,467	–	68,773	–	25,864	–	–	–	–	–	109,104
Other financial assets (Note 14)	–	31,162	4,624	1,054,625	4	17,680	1,446	–	–	125,221	–	1,234,762
Total investments	4,923,609	115,428	25,736	4,306,330	4	147,834	1,446	111,187	1,786,926	160,050	–	11,578,550
Deferred tax assets (Note 7)												287,942
Current tax assets (Note 26)												53,725
Assets classified as held for sale (Note 21)												828,556
Consolidated total assets												76,103,969
Segment liabilities	31,195	5,697,271	8,185,801	3,289,904	10,401,448	746,501	1,175,463	3,801,313	779,481	13,506,436	(3,052,591)	44,562,222
Deferred tax liabilities (Note 7)												1,271,484
Current tax liabilities (Note 26)												226,553
Liabilities associated with assets classified as held for sale (Note 21)												454,581
Consolidated total liabilities												46,514,840

At 30 June 2021

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate services	Consolidation adjustments	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Segment assets	–	10,691,562	15,049,948	3,628,694	16,804,628	664,426	1,336,476	7,521,107	2,076,619	1,441,640	(1,215,088)	58,000,012
Investments in:												
Associates (Note 12)	4,770,300	183,634	1,480	2,817,023	–	72,499	–	95,649	2,218,591	21,515	–	10,180,691
Joint ventures (Note 13)	–	13,205	–	77,745	–	–	–	–	–	–	–	90,950
Other financial assets (Note 14)	–	26,008	4,782	1,027,493	4	19,450	1,446	16,291	–	102,300	–	1,197,774
Total investments	4,770,300	222,847	6,262	3,922,261	4	91,949	1,446	111,940	2,218,591	123,815	–	11,469,415
Deferred tax assets (Note 7)												446,649
Current tax assets (Note 26)												70,467
Assets classified as held for sale (Note 21)												838,519
Consolidated total assets												70,825,062
Segment liabilities	2,439	4,116,691	7,051,544	2,885,807	11,555,896	484,002	1,008,734	3,368,020	765,780	12,808,632	(2,209,814)	41,837,731
Deferred tax liabilities (Note 7)												1,092,647
Current tax liabilities (Note 26)												59,024
Liabilities associated with assets classified as held for sale (Note 21)												373,199
Consolidated total liabilities												43,362,601

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(ii) Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than taxes. Goodwill is allocated to reportable segments as described in Note 6. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to reportable segments other than taxes. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(iii) Other segment information

Additions to non-current assets (including property, plant and equipment, investment properties, intangible assets and excluding investments, deferred tax assets and right of use assets) and depreciation and amortisation are as follows:

	Agro & Energy	Building & Engineering	Commercial & Distribution	Financial Services	Hospitality & Services	Life & Technologies	Logistics	Property	Seafood	Corporate Services	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 30 June 2022											
Additions to non-current assets	**2,000**	**1,029,482**	**827,334**	**69,185**	**623,047**	**245,386**	**70,059**	**237,328**	**100,400**	**47,643**	**3,251,864**
Depreciation and amortisation	**348**	**420,946**	**591,706**	**50,404**	**511,008**	**19,779**	**67,288**	**68,398**	**110,807**	**20,495**	**1,861,179**
At 30 June 2021											
Additions to non-current assets	195	704,498	504,054	286,348	1,199,667	21,841	44,640	88,051	85,422	4,697	2,939,413
Depreciation and amortisation	19	347,354	551,716	48,452	448,066	10,647	75,743	65,072	118,731	42,243	1,708,043

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

39. SEGMENTAL INFORMATION – GROUP (CONTINUED)

(iii) Other segment information (Continued)

Revenue from major products and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

Cluster	Activity	2022 Rs'000	2021 Rs'000
Building & Engineering	– Contracting & equipment	7,680,102	7,019,764
Commercial & Distribution	– Consumer goods, sale of beverages & chain of supermarkets	27,636,798	24,413,598
Financial Services	– Insurance, leasing and management services	2,352,096	2,098,750
Hospitality & Services	– Hotels operation	7,210,029	2,070,945
Life & Technologies	– Medical research	409,166	307,521
Logistics	– Freight forwarding	2,052,067	1,319,262
Seafood	– Seafood sector	1,547,247	1,555,751
Others		910,756	581,350
Consolidation adjustments		(4,821,113)	(3,570,805)
		44,977,148	35,796,136

Information about major customers

The Group does not have any one single external customer to whom sales of goods and services amounted to 10% or more of the Group's total turnover.

Geographical information

The Group's operations are located in the countries as described below.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	2022 Rs'000	2021 Rs'000
Mauritius	36,474,198	30,956,628
Europe	1,223,804	1,061,589
USA	72,741	92,992
Madagascar, Comoros, Seychelles & Reunion	3,360,875	2,201,816
Dubai, Africa, Australia & others	1,271,758	1,017,230
Maldives	2,573,772	465,881
	44,977,148	35,796,136

40. EARNINGS PER SHARE

	2022 Rs	2021 Rs
Earnings per share		
Basic and diluted:		
– From continuing and discontinued operations	1.74	0.03
– From continuing operations	1.72	0.25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

40. EARNINGS PER SHARE (CONTINUED)

The earnings and weighted average number of ordinary shares used in the calculation of earnings per share are as follows:

	2022 Rs'000	2021 Rs'000
Earnings for the year attributable to owners of the Company used in calculation of earnings per share – From continuing and discontinued operations	1,182,613	19,557
Earnings for the year attributable to owners of the Company used in calculation of earnings per share – From continuing operations	1,167,844	171,510

	2022	2021
Weighted average number of ordinary shares	680,224,040	680,224,040

41. CLIENTS' MONIES

An analysis of clients' monies handled by the subsidiaries of the Group is shown below:

THE GROUP

	2022 Rs'000	2021 Rs'000
At 1 July	375,775	321,405
Opening balance of subsidiaries acquired	–	111,999
Amounts received during the year from clients	4,511,237	2,852,751
Amounts disbursed during the year on behalf of clients	(4,632,586)	(2,910,380)
At 30 June	254,426	375,775

The funds are paid into a separate bank account kept solely for the purpose of handling clients' monies.

These accounts are managed separately and all interests earned are for the benefits of the clients. As such, clients' monies have been disclosed off balance sheet as the subsidiaries do not retain the risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

42. SUMMARY OF THE PUBLISHED RESULTS AND OF THE ASSETS AND LIABILITIES OF THE GROUP

	2022 Rs'000	2021 Rs'000
Statements of profit or loss and other comprehensive income		
Revenue	44,977,148	35,796,136
Share of results of associates and joint ventures	905,556	757,029
Profit before tax	2,678,060	367,608
Tax expense	(736,366)	(138,895)
Profit for the year from continuing operations	1,941,694	228,713
Profit/(loss) for the year from discontinued operations	23,123	(131,301)
Profit for the year	1,964,817	97,412
Other comprehensive income for the year, net of tax	392,407	1,906,046
Total comprehensive income for the year	2,357,224	2,003,458
Profit attributable to:		
- Owners of the parent	1,182,613	19,557
- Non-controlling interests	782,204	77,855
	1,964,817	97,412
Total comprehensive income attributable to:		
- Owners of the parent	1,216,602	1,277,353
- Non-controlling interests	1,140,622	726,105
	2,357,224	2,003,458
Dividends	408,134	299,299

	2022 Rs'000	2021 (Restated) Rs'000	2020 (Restated) Rs'000
Statements of financial position			
Assets			
Non-current assets	52,612,325	51,674,303	49,520,695
Current assets	22,663,088	18,312,240	15,903,723
Assets classified as held for sale	828,556	838,519	921,518
Total assets	76,103,969	70,825,062	66,345,936
Equity and liabilities			
Share capital and reserves	15,943,453	15,041,245	14,085,535
Restricted redeemable shares	5,000	5,000	5,000
Convertible bonds	1,460,283	744,083	-
Non-controlling interests	12,180,393	11,672,133	11,085,491
Total equity	29,589,129	27,462,461	25,176,026
Liabilities			
Non-current liabilities	25,866,149	27,096,721	22,270,131
Current liabilities	20,194,110	15,892,681	18,457,923
Liabilities associated with assets classified as held for sale	454,581	373,199	441,856
Total liabilities	46,514,840	43,362,601	41,169,910
Total equity and liabilities	76,103,969	70,825,062	66,345,936

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

43. EVENTS AFTER THE REPORTING PERIOD

The following subsequent events were noted for the Group and the Company which did not result in any adjustments to the figures as at reporting date:

IBL Ltd

On 10 August 2022, the Company, being the lead investor of a consortium, i.e, Mambo Retail Ltd, has signed an agreement to acquire 40.0% of the shares of Naivas International, which in turn holds 100.0% of the shares of Naivas Limited (incorporated in Kenya). The equity contribution of IBL towards Mambo Retail Ltd is USD 100.00 million, equivalent to approximately Rs 4.59 billion and represents an effective stake of 26.3% in Naivas International. IBL's partners in Mambo Retail Ltd are Proparco and DEG. The 40.0% stake acquired in Naivas International (through Mambo Retail Ltd) represents (i) all shares previously held by Amethis Retail Limited and (ii) part of the shares held by Gakiwawa Family.

Lux Island Resorts Ltd ("LIR")

On 2 July 2022, a fire broke out at LUX* Belle Mare, a hotel owned by the subsidiary, Beau Rivage Co Ltd. The hotel will remain closed all throughout the financial year ending 30 June 2023. The hotel is insured for both material damages and business interruption and management is compiling all figures with respect to the claim which is being discussed with the loss adjuster. Reconstruction of the hotel has already started so as to start operation as soon as possible. It is worth noting that LIR is expected to generate positive results and cashflows during 2023, even if LUX* Belle Mare performance is excluded. Moreover, the Directors would assess the hedge effectiveness on the loans of Beau Rivage Co Ltd and the ineffective portion would be recycled to profit or loss during the year ending 30 June 2023.The fire is considered to be a non-adjusting event as the event arose after the balance sheet date.

The United Basalt Products Limited ("UBP")

In reference to the communiqué dated 23 June 2022 concerning the acquisition of a group of companies operating in a similar line of business of the Company in Réunion Island, a Share Purchase Agreement (SPA) was signed on 7 July 2022 . The transaction is subject to the satisfactory completion of conditions precedent, the obtention of all regulatory, corporate and any other approvals required by the parties. The transaction will enable the UBP Group to expand its principal activities within the Indian Ocean.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

44. PRIOR YEAR ADJUSTMENTS

The Group has restated its financial statements in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to correct the below errors identified during the year ended 30 June 2022.

(i) The Group has recognised its right of use asset meeting the definition of investment property as cost less depreciation and impairment. The accounting policy is to measure investment properties at fair value and hence the right of use asset should also be measured at fair value in accordance with the requirements of IFRS 16 – Leases and IAS 40 – Investment Property. There is no impact on the statement of cash flows.

(ii) One of the subsidiaries, Lux Island Resorts Ltd (LIR) has loans denominated in foreign currencies which are translated at year end exchange rate every year. The loan in foreign currency acts as a hedge instrument to mitigate the foreign currency impact on revenue denominated in foreign currencies. The exchange differences arising on translation of loan in foreign currencies are accounted in equity as hedge reserve. In the prior years, the subsidiary recorded the corresponding deferred tax effect arising on the hedge reserve movement.

Gains or losses arising on translation of loan in foreign currencies are not subject to income tax and as such the deferred tax recorded every year on hedge reserve movement is not correct. The subsidiary has therefore booked a prior year adjustment to reverse opening balance of tax on hedge reserve at 1 July 2020 as well as tax on movement on hedge reserve during the financial year ended 30 June 2021. The restatement will only have an impact on deferred tax and hedge reserve.

(iii) During the redevelopment of LUX* Grand Baie, LIR has constructed some villas and residences under the Investment Hotel Scheme (IHS) to be sold to private owners under the VEFA (Vente en Etat Future D'achèvement) scheme. These units would then be leased back to LUX* Grand Baie in return for a rental determined principally on the room revenues generated by the hotel.

LIR did not account for any other income or expenses (net of revenue generated from deposits less cost of construction and cost to sell) in the year the transaction took place as per the requirement of IFRS 15. In the case of of LUX* Grand Baie, the transaction should be considered as 2 separate phases where first we recognise the sale of IHS units under IFRS 15 (i.e. the sales occurs when the VEFA is signed which is usually during construction period) and recognise the lease under IFRS 16 (i.e. lease of the units to the hotel would start only after construction period and the unit holders have paid for full consideration and taken possession of their respective units).

The prior year adjustment will be as follows:

- Revenue on sale of the villas and residences must be recognised over time under IFRS 15. Therefore, some revenues for VEFA contracts signed prior to 30 June 2021 should have been recognised in the financial year ended 30 June 2021.
- Construction costs with respect to the villas and residences should be recorded in stock as work in progress.
- The revaluation gain should be recycled from asset revaluation to retained earnings as soon as the project starts.

(iv) During the financial year ended 30 June 2021, IBL transferred an owner-occupied property to investment property. The related revaluation reserves were also reclassified to retained earnings as a result of this transfer. In accordance with IAS 40 – Investment Property, the revaluation reserves may be transferred to retained earnings only on disposal of that property. Hence an adjustment is required to reverse this reclassification in equity. There is no impact on the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

44. PRIOR YEAR ADJUSTMENTS (CONTINUED)

The below reflects the impact of these adjustments, including the deferred tax implication, on the statement of financial position and statement of profit or loss line items, earnings per share and statement of cash flows.

Statement of financial position (Extract)

	As previously reported	Restatement (i)	Restatement (ii)	Restatement (iii)	Restatement (iv)	As restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Impact as at 1 July 2020						
Property, plant and equipment	28,355,603	–	–	(79,363)	–	28,276,240
Investment property	2,857,422	138,319	–	–	–	2,995,741
Right of use assets	5,108,832	(72,519)	–	–	–	5,036,313
Inventories	5,260,298	–	–	79,363	–	5,339,661
Deferred tax assets	588,737	(3,578)	–	–	–	585,159
Lease liabilities	4,652,050	1,420	–	–	–	4,653,470
Deferred tax liabilities	1,012,712	7,365	38,126	–	–	1,058,203
Retained earnings	6,624,092	48,610	–	44,768	–	6,717,470
Revaluation and other reserves	6,072,422	–	(21,530)	(44,768)	–	6,006,124
Non controlling interest	11,097,260	4,827	(16,596)	–	–	11,085,491
Impact as at 30 June 2021						
Property, plant and equipment	29,772,771	–	–	(548,664)	–	29,224,107
Investment property	3,123,499	144,119	–	–	–	3,267,618
Right of use assets	4,901,887	(72,545)	–	–	–	4,829,342
Inventories	6,195,328	–	–	283,330	–	6,478,658
Contract assets	793,804	–	–	86,064	–	879,868
Deferred tax assets	496,147	–	(44,570)	(4,928)	–	446,649
Lease liabilities	4,585,174	1,420	–	–	–	4,586,594
Deferred tax liabilities	1,033,829	18,282	40,536	–	–	1,092,647
Trade and other payables	8,106,851	–	–	208,250	–	8,315,101
Retained earnings	7,087,865	47,266	–	58,351	(144,298)	7,049,184
Revaluation and other reserves	6,578,649	–	(48,059)	(44,768)	144,298	6,630,120
Non controlling interest	11,694,104	4,606	(37,047)	10,470	–	11,672,133

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

44. PRIOR YEAR ADJUSTMENTS (CONTINUED)

The below reflects the impact of these adjustments, including the deferred tax implication, on the statement of financial position and statement of profit or loss line items, earnings per share and statement of cash flows.

Statement of profit or loss and other comprehensive income (Extract)

	As previously reported	Restatement (i)	Restatement (ii)	Restatement (iii)	Restatement (iv)	As restated
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
For the year ended 30 June 2021						
Administrative expenses	(9,378,737)	2,037	–	–	–	(9,376,700)
Other gains and losses	204,832	3,737	–	–	–	208,569
Other income	1,222,972	–	–	28,980	–	1,251,952
Profit before tax	292,908	5,774	–	28,980	–	327,662
Tax expense	(126,628)	(7,339)	–	(4,928)	–	(138,895)
Profit for the year, attributable to						
· Owners of the Company	7,318	(1,344)	–	13,583	–	19,557
· Non-controlling interests	67,607	(221)	–	10,469	–	77,855
	74,925	(1,565)	–	24,052	–	97,412
Other comprehensive income:						
Deferred tax on cash flow hedge	54,562	–	(46,979)	–	–	7,583
Total comprehensive income for the year, attributable to:						
Owners of the Company	1,291,643	(1,344)	(26,529)	13,583	–	1,277,353
Non-controlling interests	736,307	(221)	(20,450)	10,469	–	726,105
	2,027,950	(1,565)	(46,979)	24,052	–	2,003,458
Earnings per share						
· From continuing and discontinued operations	0.01	–	–	–	–	0.03
· From continuing operations	0.25	–	–	–	–	0.25
Statement of cash flows						
For the year ended 30 June 2021						
Net cash flow from operating activities	1,796,599	–	–	(469,301)	–	1,327,298
Net cash flow from investing activities	(2,358,105)	–	–	469,301	–	(1,888,804)

**Restatements (i), (ii) and (iv) have no impact on cash flows for the year ended 30 June 2021.*

SHAREHOLDERS' CORNER

NOTICE OF ANNUAL MEETING

Notice is hereby given that the Annual Meeting of the Shareholders of IBL Ltd ("the Company") will be held at the Cyril Lagesse Auditorium, 1st Floor IBL House, Caudan Waterfront, Port Louis, on Friday, 30 December 2022 at 9:30 hours to transact the following business:

Agenda

1. *To receive, consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2022, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.*
   Ordinary Resolution: *"Resolved that the Group's and Company's audited financial statements for the year ended 30 June 2022, including the Annual Report and the Auditors' Report, be hereby adopted."*
2. *To elect, on the recommendation of the Board, Mr. Georges Desvaux, who offers himself for election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mr. Georges Desvaux be and is hereby elected as Director of the Company."*
3. *To elect, on the recommendation of the Board, Mr. William Egbe, who offers himself for election as Director of the Company*
   Ordinary Resolution: *"Resolved that Mr. William Egbe be and is hereby elected as Director of the Company."*
4. *To re-elect by rotation, on the recommendation of the Board, Mrs. Martine Fleuriot de la Colinière, who offers herself for re-election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mrs. Martine de Fleuriot de la Colinière be and is hereby re-elected as Director of the Company."*
5. *To re-elect by rotation, on the recommendation of the Board, Mr. Thierry Lagesse, who offers himself for re-election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mr. Thierry Lagesse be and is hereby re-elected as Director of the Company."*
6. *To re-elect by rotation, on the recommendation of the Board, Mr. Jean-Pierre Lagesse, who offers himself for re-election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mr. Jean-Pierre Lagesse be and is hereby re-elected as Director of the Company."*
7. *To re-elect by rotation, on the recommendation of the Board, Mr. Hugues Lagesse, who offers himself for re-election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mr. Hugues Lagesse be and is hereby re-elected as Director of the Company."*
8. *To re-elect by rotation, on the recommendation of the Board, Mr. Jean Ribet, who offers himself for re-election as Director of the Company.*
   Ordinary Resolution: *"Resolved that Mr. Jean Ribet be and is hereby re-elected as Director of the Company."*
9. *To fix the remuneration of the Directors of IBL Ltd for the year ending 30 June 2023 and to ratify the fees paid to the Directors for the year ended 30 June 2022.*
   Ordinary Resolution: *"Resolved that the remuneration of the Directors of IBL Ltd for the year ending 30 June 2023 be fixed and the fees paid to the Directors for the year ended 30 June 2022 be hereby ratified."*
10. *To take note of the automatic re-appointment of Messrs. Deloitte as Auditors of the Company for the year ending 30 June 2023 in accordance with Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.*
11. *To ratify the remuneration paid to the Auditors for the year ended 30 June 2022.*
    Ordinary Resolution: *"Resolved that the remuneration paid to the Auditors for the year ended 30 June 2022 be and is hereby ratified."*

By Order of the Board

THIERRY LABAT, FCG
Per IBL Management Ltd
Company Secretary

03 November 2022

Notes:

1. *A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *The instrument appointing a* ***proxy*** *or any general power of attorney shall be deposited at the Share Registry and Transfer Office of the Company, MCB Registry, Sir William Newton Street, Port Louis, by* ***Thursday, 29 December 2022 at 9:30 am*** *and, in default, the instrument of proxy shall not be treated as valid.*
3. *For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting shall be those shareholders whose names are registered in the share register of the Company as at 2 December 2022.*
4. *The profiles and categories of directors proposed for election and re-election are set out in the Integrated Report.*
5. *The minutes of the Annual Meeting to be held on 30 December 2022 will be available for consultation and comments during office hours at the registered office of the Company, IBL House, Caudan Waterfront, Port Louis, from 2 February to 15 February 2023.*
6. ***Shareholders, who have opted for electronic communication, will receive the Notice of Annual Meeting, Proxy Form and the Integrated Report, on the email address that they have already provided, on the same date the Notice of Annual Meeting is published in the press.***

PROXY FORM

I/We, ... of ....,
being a member/members of IBL Ltd ("the Company"), do hereby appoint: ....
of .... or failing him/her,
.... of .... or failing him/her the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the **Annual Meeting** of the Company, to be held at the **Cyril Lagesse Auditorium, 1st Floor IBL House, Caudan Waterfront, Port Louis** on **Friday, 30 December 2022** at 9:30 hours, and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Ordinary Resolutions as follows:

		For	Against	Abstain
1.	To receive, consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2022, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.			
2.	To elect, on the recommendation of the Board, Mr. Georges Desvaux, who offers himself for election as Director of the Company.			
3.	To elect, on the recommendation of the Board, Mr. William Egbe, who offers himself for election as Director of the Company.			
4.	To re-elect by rotation, on the recommendation of the Board, Mrs. Martine Fleuriot de la Colinière, who offers herself for re-election as Director of the Company.			
5.	To re-elect by rotation, on the recommendation of the Board, Mr. Thierry Lagesse, who offers himself for re-election as Director of the Company.			
6	To re-elect by rotation, on the recommendation of the Board, Mr. Jean-Pierre Lagesse, who offers himself for re-election as Director of the Company.			
7	To re-elect by rotation, on the recommendation of the Board, Mr. Hugues Lagesse, who offers himself for re-election as Director of the Company.			
8.	To re-elect by rotation, on the recommendation of the Board, Mr. Jean Ribet, who offers himself for re-election as Director of the Company.			
9.	To fix the remuneration of the Directors of IBL Ltd for the year ending 30 June 2023 and to ratify the fees paid to the Directors for the year ended 30 June 2022.			
10.	To take note of the automatic re-appointment of Messrs. Deloitte as Auditors of the Company for the year ending 30 June 2023 in accordance with Section 200 of the Companies Act 2001 and to authorise the Board to fix their remuneration.			
11	To ratify the remuneration paid to the Auditors for the year ended 30 June 2022.			

Signed this .... day of .... 2022.

....

Signature(s)

Notes:

1. *A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will be entitled to vote or abstain from voting as she/he thinks fit.*
3. *The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the Share Registry and Transfer Office of the Company, MCB Registry, Sir William Newton Street, Port Louis, by Thursday, 29 December 2022 at 9:30 hours and, in default, the instrument of proxy shall not be treated as valid.*

THINK GREEN

As part of the IBL Group's ongoing commitment to sustainability, IBL Ltd has chosen to print its integrated report on Lenza Green paper.

Lenza Green is a recycled paper produced of 100 % recovered fibre to FSC.

Lenza Green is certified by:

- The Forest Stewardship Council (FSC), an international non-governmental and non-profit organisation that promotes the responsible management of the world's forests
- The EU Ecolabel, a label of environmental excellence
- The Austrian Ecolabel, an initiative of the Federal Ministry of Environment in 1990
- Nordic Swan, the official ecolabel of the Nordic countries
- TÜV Austria, a leading certification and inspection company
- Green Brands, an international, independent and autonomous brand evaluation organisation that awards ecologically sustainable brands

Lenza Green's environmental profile (for both paper and pulp production):

SO_2	0,15 kg/tonne
NOx	0,50 kg/tonne
CO_2 (fossil)	218 kg/tonne
Solid waste landfilled	0.00 BDkg/tonne
Electricity consumption	306 kWh/tonne of final product

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